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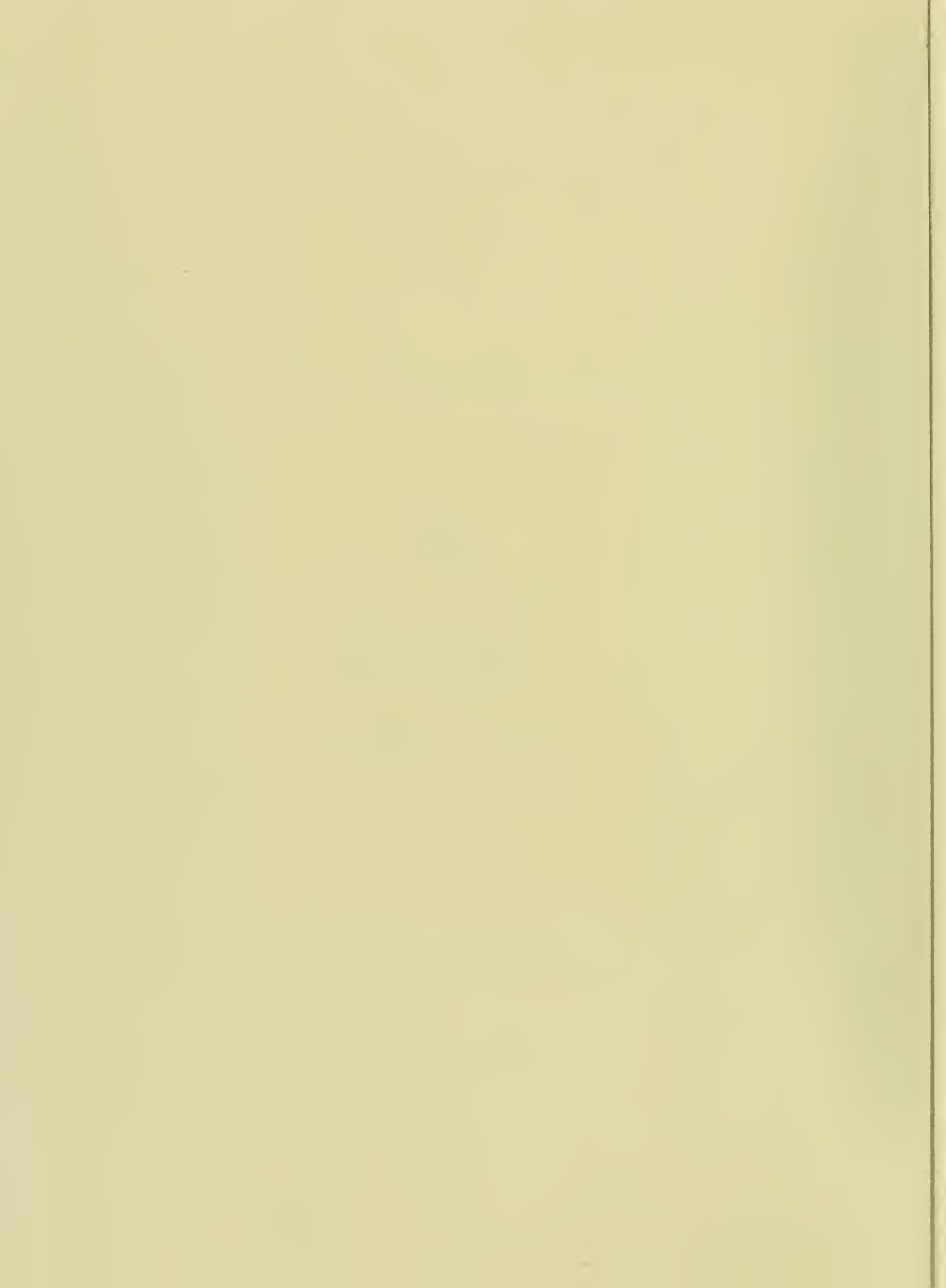
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CALENDAR - *Actions Taken*

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JUL 7 1992

SAN FRANCISCO
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MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JULY 1, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

REGULAR CALENDAR

1. File 7-92-3. [Public Transportation] Resolution making a finding concerning proposed revisions of the Municipal Railway fare schedule; companion measure to File 7-92-3.1. (Public Utilities Commission)

ACTION: Recommended.
2. File 7-92-3.1. [Public Transportation] Resolution approving a revised fare schedule for the San Francisco Municipal Railway; companion measure to File 7-92-3. (Public Utilities Commission)

ACTION: Amended on page 2, line 17, by adding: "8. Souvenir Ticket \$3.50". Further amended on page 2, line 18-1/2, by replacing "\$0.25" with "\$1.00". Recommended as amended.

File 7-92-3.2. Resolution prepared in and reported out of Committee entitled: "[Using Discount Fast Passes on BART] Urging the Bay Area Rapid Transit District to work with the San Francisco Municipal Railway in finding a way to allow Municipal Railway passengers with discount Fast Passes (disabled and senior users) to be able to use their Fast Passes on BART as adult Fast Pass users are now able to to use them."
Recommended.

3. File 47-92-4. [Parking Rate Change] Resolution approving changes in parking rates at City-owned parking facilities. (Department of Parking and Traffic)
(Cont'd from 6/24/92)

ACTION: Recessed to July 2, 1992, meeting.

4. File 97-92-37. [Street Closure Fees] Ordinance amending Administrative Code (Temporary Use or Occupancy of Public Streets) by amending Section 2.70-6 thereof, to increase the application fee for temporary use of streets for street fairs from forty dollars to eighty dollars. (Department of Parking and Traffic)
(Cont'd from 6/24/92)

ACTION: Recommended.

5. File 123-92-2. [Permit and Inspection Fees] Ordinance amending Public Works Code by amending Sections 179, 184.52, 708.2 and 725.3 to change the amounts of various fees provided for in those sections. (Department of Public Works)
(Cont'd from 6/24/92)

ACTION: Continued to July 22, 1992, meeting.

6. File 124-92-6. [Vehicle Removal Administrative Fee] Ordinance amending the Traffic Code by adding thereto Section 170.1, relating to imposing an administrative fee for removing vehicles from city streets and highways. (Department of Parking and Traffic)

(Cont'd from 6/24/92)

ACTION: Recommended.

7. File 124-92-7. [Abatement of Abandoned Vehicles] DRAFT ordinance amending Traffic Code by adding, as Article 13A thereof, Section 225, relating to establishment of a service authority for abatement of abandoned vehicles; Section 226 relating to imposing a service fee for the Abandoned Vehicle Trust Fund; Section 227 relating to procedures for abatement of abandoned vehicles; and Section 228 relating to preparation of an Abandoned Vehicle Abatement Program and Plan; and by amending Article 14 thereof in the following particulars: amending Sections 230, 231 and 245 thereof, to include highways as property from which abandoned vehicles may be removed; further amending Section 231 thereof to add a definition of "Director of Parking and Traffic"; and further amending Section 245 thereof, to allow moneys received from the State's Abandoned Vehicle Trust Fund to be credited to the Abandoned Vehicle Abatement and Removal Fund of the City. (Department of Parking and Traffic)

(Cont'd from 6/24/92)

ACTION: Amendment of the Whole, approved as to form, adopted. New title: "[Abatement of Abandoned Vehicles] Amending Traffic Code by adding, as Article 13A thereof, Section 225 relating to establishment of a service authority for abatement of abandoned vehicles; Section 226 relating to imposing a service fee for the Abandoned Vehicle Trust Fund; Section 227 relating to procedures for abatement of abandoned vehicles; Section 228 relating to preparation of an Abandoned Vehicle Abatement Program and Plan; and Section 229 relating to the definitions of terms; and by amending Article 14 thereof in the following particulars: amending Sections 230, 231 and 245 thereof to include highways as property from which abandoned vehicles may be removed; further amending Section 231 thereof to add a definition; amending Section 234 thereof to refer to new Article 13A of the Traffic Code and to define the scope of the authority of the Department of Public Health; amending Sections 235 and 236 thereof to transfer from the Purchaser of Supplies to the Director of Parking and Traffic the authority to enter into contracts for towing; adding Section 244.1 authorizing the imposition of a fine on the owners of abandoned vehicles; and further amending Section 245 thereof to allow moneys received from the State's Abandoned Vehicle Trust Fund to be credited to the Abandoned Vehicle Abatement and Removal Fund of the City." Recommended as amended.

8. File 192-92-4. [Abandoned Vehicles] Resolution designating the Parking and Traffic Commission of the City and County of San Francisco as the service authority for the abatement of abandoned vehicles and establishing a one dollar vehicle registration fee on all vehicles registered in San Francisco to be used only for the abatement, removal, and disposal of abandoned vehicles. (Department of Parking and Traffic)

(Cont'd from 6/24/92)

ACTION: Recommended.

9. File 97-92-34. [Fees - Medical Examiner-Coroner] Ordinance amending Administrative Code by amending Section 8.14 thereof, authorizing the Medical Examiner-Coroner to charge fees for certain services and to increase fees for copies of documents and certain services. (Chief Medical Examiner - Coroner)
(Cont'd from 6/24/92)

ACTION: Question divided regarding fee for removal and storage of body at Medical Examiner-Coroner's Office and Continued to the Call of the Chair. (See file 97-92-34.1.)

Main ordinance, as divided, recommended.

BUDGET REVIEW

10. File 100-92-1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1992-93. (Mayor)

03 City Attorney

Human Welfare

26 Commission on Aging
34 Human Rights Commission
48 Commission on the Status of Women
45 Social Services

Community Health

83 Public Health Central Office
85 Laguna Honda Hospital
86 San Francisco General Hospital
87 Community Mental Health Services

ACTION: Budget Review hearings held.

CITY AND COUNTY



OF SAN FRANCISCO

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ATTN: Gerry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

June 29, 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendation*

SUBJECT: July 1, 1992 Finance Committee Meeting

DOCUMENTS DEPT.

JUL 1 1992

SAN FRANCISCO
PUBLIC LIBRARYItems 1 and 2 - Files 7-92-3 and 7-92-3.1

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution (File 7-92-3) making a finding concerning proposed revisions of the Municipal Railway Fare Schedule.

Resolution (File 7-92-3.1) approving a revised fare schedule for the San Francisco Municipal Railway.

Description: Item 2 (File 7-93-3.1) is a proposed resolution approving changes to the Municipal Railway Fare Schedule effective August 1, 1992. A comparison of the current and proposed fare amounts is as follows:

<u>Fare Category</u>	<u>Current Fare Amount</u>	<u>Proposed Fare Amount</u>	<u>Increase/ Decrease</u>
SCHEDULED MOTOR COACH, TROLLEY, LIGHT RAIL VEHICLE AND STREETCAR SERVICE:			
Adult Fares			
Single Trip Fare	\$0.85	\$1.00	\$0.15
Day Pass	6.00	6.00	no change
Monthly Fast Pass	30.00	32.00	2.00
3-Day Pass	10.00	10.00	no change
7-Day Pass	15.00	15.00	no change
Half-month Pass	not available	16.00	new category
Token	0.85	0.90	0.05

Discount Fares for Senior and Handicapped Individuals

Single Trip Fare	0.15	0.25	0.10
Monthly Fast Pass	4.50	5.00	0.50

<u>Fare Category</u>	<u>Current Fare Amount</u>	<u>Proposed Fare Amount</u>	<u>Increase/ Decrease</u>
Discount Fares for Youth Five (5) through Seventeen (17) Years of Age			
Single Trip Fare	\$0.25	\$0.25	no change
Monthly Fast Pass	5.00	5.00	no change

SCHEDULED CABLE CARE SERVICE:

Adult Fare

Single Trip Fare			
Cash	2.00	3.00	1.00
Transfer plus Cash	1.00	1.00	no change
\$0.85 Token Cost plus \$1.00 cash	0.85	0.90	0.05
Round Trip Ticket	4.00	6.00	2.00
Day Pass	6.00	6.00	no change
Three-Day Pass	10.00	10.00	no change
Seven-Day Pass	15.00	15.00	no change
Monthly Fast Pass	30.00	32.00	2.00
Half Month Pass	not available	16.00	new category
30-Ride Ticket Book	25.50	30.00	4.50

Senior and Disabled Fares

Single Trip	0.15	0.25	0.10
Monthly Fast Pass	4.50	5.00	0.50

Discount Fares for Youth Five (5) through Seventeen (17) Years of Age

Single Trip			
Cash	1.00	1.00	no change
Transfer plus Cash	0.75	0.75	no change
Monthly Fast Pass	5.00	5.00	no change

Children Under Five (5) Years of Age

Single Trip	no charge	no charge	no change
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SPECIAL EVENTS SERVICES (PER ROUND TRIP):

Adult Fares			
Cash	4.00	4.00	no change
Fast Pass plus added cash	2.00	2.00	no change
Discount Fares for Students and Senior/Handicapped Individuals			
Cash	3.00	3.00	no change
Fast Pass plus added cash	2.00	2.00	no change

<u>Fare Category</u>	<u>Current Fare Amount</u>	<u>Proposed Fare Amount</u>	<u>Increase/ Decrease</u>
CHARTER SERVICE:			
Full Charter Rate per Hour Cost			
Motor or trolley coach requiring no conductor	69.00	69.00	no change
Light Rail Vehicle requiring no conductor	156.00	156.00	no change
Cable Car requiring conductor	169.00	169.00	no change
Historic street car requiring conductor	128.00	128.00	no change

Item 1 (File 7-92-3) is a companion resolution that makes a finding that the proposed fare revisions will increase revenues but will not be sufficient to pay for all Municipal Railway costs without requiring a tax subsidy.

Comments:

1. With respect to the companion resolution (File 7-92-3), based on the review of the Mayor's FY 1992-93 budget for the Municipal Railway, the Budget Analyst concurs that the proposed fare revisions will increase revenues but will not be sufficient to pay for all Municipal Railway costs without requiring a tax subsidy. In FY 1992-93, MUNI will receive an estimated \$102,921,834 in General Fund monies from the City.

2. The Public Utilities Commission (PUC) has submitted these resolutions pursuant to Section 3.598 of the Charter, which provides that the Board of Supervisors review MUNI fare rates.

3. The resolution approved by the PUC to increase Municipal Railway fares included a \$1.00 increase from \$2.50 to \$3.50 for the Cable Car Souvenir Ticket. This increase was not included in the subject legislation (File 7-92-3.1). The proposed legislation should be amended to add the Cable Car Souvenir Ticket to the proposed fare schedule.

4. The proposed fare increases are estimated to provide \$7.5 million in additional revenue to the City. The 1991-92 projected actual passenger fare revenues for the Municipal Railway are \$80.1 million or \$7.5 million less than the estimated \$87.6 million revenues for FY 1992-93.

5. The Mayor's Office has submitted a clerical error which transfers \$1.3 million from the Transit Improvement Development Fund (TIDF) to supplement the estimated \$7.5 million in additional revenue from the proposed fare increases identified in this legislation, since an amount of

BOARD OF SUPERVISORS
BUDGET ANALYST

\$8.8 million from MUNI fare revenue increases was included in the Mayor's budget for FY 1992-93. The \$1.3 million revenue difference between the Mayor's budget and the estimate from the PUC approved fare rate increases can be summarized as follows (The PUC fares, as shown on the prior pages would remain the same if this legislation is approved. However, since the PUC's recommended fares will generate \$1.3 less than the Mayor's budgeted revenues, the Mayor has submitted a clerical error to use \$1.3 million from the Transit Impact Development Fee revenue to make up for the revenue shortfall):

<u>Fare Category</u>	Change in Revenue (\$000,000)		<u>Revenue Shortfall</u>
	<u>Mayor's Recommendation</u>	<u>PUC Approved</u>	
Adult Fare/Pass	\$ 5.1	\$ 4.1	(\$ 1.0)
Non-Cable Discount	0.8	0.9	0.1
Non-Cable Youth	1.2	0.0	(1.2)
Cable Adult	1.6	1.9	0.3
Cable Discount	<u>0.1</u>	<u>0.6</u>	<u>0.5</u>
Total	\$ 8.8	\$ 7.5	(\$ 1.3)

6. As shown in the attached table, the average adult cash fare charged by 16 other major transit systems is \$1.07 as compared to the \$1.00 adult single trip fare proposed for MUNI under this legislation. Adult monthly passes average \$40.00 although such fares are \$50.00 or more in four cities. These fares compare with the proposed \$32.00 adult monthly fare for MUNI. Further, fares for seniors and the disabled average \$0.44 per ride in other jurisdictions compared to the proposed \$0.25 for MUNI.

Recommendation: Approve the proposed resolution (File 7-92-3).

Amend the proposed resolution (File 7-92-3.1) by adding after line 17 on page 2 the following: "8. Souvenir Ticket - \$3.50"

Approval of the proposed Resolution (File 7-92-3.1), as amended to increase Municipal Railway passenger fares, is a policy matter for the Board of Supervisors.

Analysis of Fare Schedules for Other Major Transit Systems

Attachment

SF Muni (Current)	Adult Cash Fare	Zone Premiums	Effective Date	Transfer Price	Adult Monthly Pass Price	Percent Discount	Breakeven Ratio	Disabled/Senior Fare	Percent Discount
SF Muni (PUC Proposal)	\$0.85	No	Aug 88	Free	\$30.00	20.00%	35	\$0.15	82.00%
Philadelphia	\$1.50	No	May 90	\$0.40	\$58.00	12.00%	38	\$0.75	50.00%
Miami	1.25	No	Dec 90	0.25	50.00	0.00%	44	0.60	52.00%
Chicago Elevated	1.25	No	Apr 90	0.25	50.00	8.00%	40	0.45	64.00%
San Diego Bus	1.25	Yes	Jul 91	Free	45.00	18.00%	36	0.60	52.00%
Pittsburgh	1.15	No	Jan 91	Free	40.00	27.00%	32	0.60	52.00%
New York City TA	1.15	No	Jan 90	Free	51.00	0.00%	44	0.55	52.00%
AC Transit (Proposed)	1.10	Yes	Aug 92	0.25	40.00	17.00%	36	0.40	64.00%
Los Angeles	1.10	Yes	Jul 88	0.25	42.00	13.00%	38	0.55	50.00%
Cleveland	1.00	Yes	Jan 91	Free	36.00	18.00%	36	0.35	65.00%
Sacramento	1.00	No	Jan 91	Free	40.00	0.00%	40	0.50	50.00%
San Jose	1.00	Yes	Oct 91	1.00	30.00	32.00%	30	0.50	50.00%
Washington	1.00	Yes	Jun 91	Free	37.00	15.00%	37	0.30	70.00%
Portland	0.90	Yes	Sept 90	Free	29.00	27.00%	32	0.40	56.00%
Boston T	0.85	Yes	Sept 91	Free	30.00	28.00%	32	0.20	76.00%
BART	0.80	Yes	Jan 86	Free	30.00	15.00%	38	0.08	80.00%
Seattle	0.75	Yes	Feb 91	Free	23.00	28.00%	31	0.25	67.00%
Average	\$1.07				\$40.00	17.00%	37	\$0.44	56.00%

NOTES:

- (1) These systems have free transfers within the same mode, but charge as listed for transfers between modes.
- (2) These systems have a low seniors to ride for free, but charge as listed for disabled.

Source: APTA Transit Fare Summary, October 1, 1991.

Item 3 - File 47-92-4

Note: This item was continued from the June 24, 1992 Finance Committee meeting.

Department: Parking and Traffic

Item: Resolution to change parking rates at 13 City-owned parking garage and parking lot facilities.

Description: Because of the need to increase revenues in the fiscal year 1992-93 budget, the Department of Parking and Traffic (DPT) has determined that parking rates at 13 City-owned facilities should be increased to achieve a 20 percent increase in revenues from each facility, as requested by the Mayor. DPT estimates that the proposed rate changes would increase parking revenues by \$1,089,543 from \$11,338,580 in 1991-92 to \$12,428,123 for 1992-93.

DPT has based its revenue estimates on 12 months of estimated revenues (with the exception of the Sutter-Stockton garage, where rate increases are scheduled to take effect October 1, 1992). Since rate increases must be approved by the Board of Supervisors and take effect 30 days following approval by the Mayor, the Budget Analyst estimates that the additional revenue would not begin to accrue until approximately September 1, 1992. Based on only ten months at the increased rates, additional revenues would be only \$907,953.

DPT has submitted an amended proposed resolution indicating that hotel parking would also take effect at the Sutter-Stockton Garage on July 1, 1992, at a rate of \$7.75. According to Mr. Kevin Hagerty of DPT, the proposed delay in implementation of hourly rate increases at the Sutter-Stockton Garage is intended to permit the Garage to consider alternatives to the proposed rate increases, such as expansion of the monthly parking program or the viability of a hotel parking program. The hotel parking proposal for Sutter Stockton Garage was not included in the original proposal submitted by DPT, and is not addressed below.

The proposed rate changes are as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Increase</u>
<u>Civic Center</u>			
1 hr	\$0.75	\$1.00	33
2 hr	1.75	2.00	14
3 hr	2.75	3.25	18
4 hr	4.00	4.50	13
5 hr	5.00	6.00	20
6 hr	6.00	7.50	25
7 hr+	7.75	9.00	16

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	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Increase</u>
Special Event	4.00	5.00	25
Motorcycle (Day)	1.00	1.00	*
Monthly			
Private	125.00	156.25	25
Government	100.00	125.00	25

Golden Gateway

1 hr	\$2.00	\$3.00	50
2 hr	4.00	6.00	50
3 hr	6.50	9.00	38
4 hr	9.00	12.00	33
5 hr	12.00	15.00	25
6 hr+	16.00	18.00	13
Evening After 6 pm	4.00	4.00	*
Early Bird	-	12.00	**
Monthly	250.00	260.00	4
Motorcycle			
Day	3.00	3.00	*
Monthly	50.00	50.00	*

Lombard Street

<u>Day</u>			
1 hr	\$0.75	\$0.75	*
2 hr	1.50	1.50	*
3 hr	2.50	2.50	*
4 hr	4.25	4.25	*
5 hr	5.50	5.50	*

Evening

1 hr	1.00	1.00	*
2 hr	2.50	2.50	*
3 hr	3.50	3.50	*
Overnight	4.00	4.00	*
Monthly	-	75.00	**

Mission-Bartlett

1 hr	\$0.50	\$0.50	*
2 hr	1.00	1.25	25
3 hr	1.50	2.00	33
4 hr	2.00	2.75	38
5 hr	2.50	3.50	40
6 hr	3.00	4.25	42
7 hr	3.50	5.00	43
8 hr	4.00	5.00	25
9 hr	4.50	5.00	11
10 hr	5.00	5.00	*

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BUDGET ANALYST

	Current Rate	Proposed Rate	Percent Increase
<u>Mission-Bartlett (continued)</u>			
Monthly	\$60.00	\$75.00	25
<u>Moscone Center</u>			
1 hr	\$0.75	\$1.00	33
2 hr	1.25	2.50	100
3 hr	2.50	4.00	60
4 hr	4.00	5.50	38
5 hr	5.50	7.00	27
6 hr	7.00	9.00	29
7 hr+	9.00	12.00	33
Special Event	5.00	7.00	40
Early Bird	7.00	7.00	*
Monthly	130.00	145.00	12
<u>Performing Arts</u>			
1 hr	\$.075	\$1.00	33
2 hr	1.50	2.00	33
3 hr	2.25	3.50	56
4 hr	3.25	5.00	54
5 hr	4.50	6.50	44
6 hr	5.50	8.00	45
7 hr+	6.50	8.00	23
Special Event	4.25	5.00	18
Early Bird	4.25	5.00	18
Monthly	100.00	115.00	15
<u>Polk/McAllister</u>			
1 hr	\$1.50	\$2.00	33
2 hr	2.25	3.50	56
3 hr	2.75	4.50	64
4 hr	4.25	5.50	29
5 hr	6.50	7.00	8
6 hr+	9.00	9.00	*
Special Event	4.00	5.00	25
<u>Portsmouth Square</u>			
Day			
1 hr	\$0.75	\$1.00	33
2 hr	2.00	2.50	25
3 hr	4.00	4.50	13
4 hr	6.50	7.00	8
5 hr	8.75	9.00	3
6 hr	11.25	11.50	2

BOARD OF SUPERVISORS
BUDGET ANALYST

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Increase</u>
<u>Portsmouth Square (continued)</u>			
7 hr	\$13.75	\$14.25	4
8 hr	16.00	16.50	3
<u>Evening</u>			
1 hr	-	1.00	**
2 hr	-	2.50	**
3 hr	-	4.50	**
Overnight	3.00	3.00	*
Monthly	260.00	260.00	*
<u>Seventh & Harrison</u>			
1 hr	\$1.00	\$1.50	50
2 hr	2.00	2.50	25
3 hr	3.50	3.75	7
4 hr	4.50	5.00	11
5 hr+	5.50	6.25	14
Overnight	1.50	1.50	*
<u>St. Mary's Square</u>			
<u>Day</u>			
0.5 hr	\$1.75	\$2.50	43
1 hr	3.50	4.00	14
1.5 hr	5.25	5.50	5
2 hr	7.25	7.50	3
2.5 hr	9.25	9.50	3
3 hr	11.25	11.50	2
3.5 hr	13.25	13.50	2
4 hr+	15.75	17.00	8
<u>Evening</u>			
1 hr	0.75	1.00	33
2 hr	2.00	2.50	25
3 hr	4.00	4.50	13
4 hr	5.75	6.00	4
5 hr	7.25	7.50	3
6 hr	9.75	10.00	3
Early Bird	-	1.00	*
Monthly	260.00	260.00	*

	Current Rate	Proposed Rate	Percent Increase
<u>Sutter/Stockton</u>			
1 hr	\$0.75	\$1.00	33
2 hr	1.25	1.50	20
3 hr	2.50	2.50	*
4 hr	4.75	5.00	5
5 hr	8.00	8.00	*
6 hr	11.00	11.00	*
7 hr+	14.75	15.00	2
<u>Nights and Sundays</u>	2.50	2.50	*
Early Bird	-	8.50	**
Monthly	225.00	250.00	11
Motorcycle			
Day	2.00	2.00	*
Monthly	40.00	40.00	*
<u>Vallejo Street</u>			
<u>Day</u>			
1 hr	\$0.75	\$1.00	33
2 hr	1.50	2.25	50
3 hr	4.00	4.50	13
4 hr	6.25	6.25	*
5 hr	8.50	8.75	3
6 hr	10.50	10.50	*
7 hr	12.50	12.75	2
<u>Evening</u>			
1 hr	1.25	1.50	20
2 hr	2.50	3.25	30
3 hr	5.00	5.00	*
4 hr	7.00	7.00	*
5 hr	9.00	10.00	11
Monthly	250.00	275.00	10
<u>Union Square</u>			
0.5 hr	\$0.75	\$0.75	*
1 hr	2.00	2.00	*
1.5 hr	2.75	2.75	*
2 hr	3.75	3.75	*
2.5 hr	5.00	5.25	5
3 hr	6.00	6.25	4
3.5 hr	7.00	8.00	14
4 hr	8.00	9.00	13
4.5 hr	9.25	10.00	8
5 hr	10.50	11.00	5
5.5 hr	12.25	13.00	6

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Increase</u>
6 hr	\$13.50	\$15.00	11
6.5 hr+	15.50	16.00	3
Early Bird	-	8.50	**
Monthly	290.00	310.00	7
Hotel Parking (daily)	-	7.75	**

* No change in rate

** New rate

- Comments:**
1. Garage parking rates were last increased in 1991 as a result of a five percent increase in the Parking Tax that was passed through to the parking customers by an increase in the parking rates. The last increase in parking rates alone occurred in 1988.
 2. On June 24, 1992 the Department of Parking and Traffic introduced an Amendment of the Whole to the proposed resolution to change some of the rates and to include a new hotel parking rate in the Union Square Garage.
 3. The proposed increases in garage parking rates will result in increases of gross receipts for each facility. The parking fees at each facility include the current 25 percent Parking Tax. Two facilities (Sutter/Stockton Garage and the Portsmouth Square Garage) also pay the Gross Receipts Tax. The Department of Parking and Traffic estimates that the resulting increases in these tax revenues will be \$758,350 and \$281,849 (respectively) in 1992-93, in addition to the estimated \$1,089,543 increase in garage parking revenues (total increased General Fund revenues of \$2,129,742 as a result of the proposed rate changes).
 4. A total of \$2,129,742 estimated revenue increases resulting from the proposed garage parking rate increases have been included in the Mayor's proposed budget for 1992-93. As noted above, the rates, if approved, could not take effect for approximately two months, or approximately September 1, 1992. Increased revenues, including tax receipts, based on ten months at the proposed increased rates would be \$1,774,785, which is \$354,957 or approximately 16.7 percent less than the revenue projected by the Mayor for 1992-93.
 5. At the Finance Committee meeting of June 24, 1992, concerns were expressed that the proposed hotel parking program at the Union Square Garage represents unfair competition to private garage operators, in that the proposed rate of \$7.75 is below the current market rate, and may represent "predatory pricing." Concerns were also expressed that the proposal violates the City's "Transit First" policy, which emphasizes the use of public transportation rather than private automobiles, and may

violate the terms of the Union Square Garage lease with respect to requirements to provide short term parking.

Written statements objecting to the proposal were received from representatives of the Pansini Corporation, Harsch Investments, California Parking, and Metropolitan Parking Corp.

The operator of the Union Square Garage, CityPark, proposes to designate an area in the garage for hotel parking, and to make available 67 parking spaces to proprietors of hotels in the Union Square area. An additional 40 vehicles could be parked by stacking additional vehicles in the aisles, such that a total of 107 vehicles could be parked for hotel customers. According to Mr. Tim Leonoudakis, Vice President of CityPark, the vehicles would be parked by valets employed by the hotels, who would manage the placement of the vehicles. Mr. Leonoudakis states that CityPark employees would have no involvement with the vehicles parked in the hotel parking area.

6. Mr. Leonoudakis states that the City would incur a cost of \$45,000 over four years for purchase and installation of a parking gate to accommodate the hotel parking program. The gate would enable the garage to maintain proper records of the hotels utilizing the parking spaces and the number of vehicles parked, using information encoded on cards issued to the hotel valets.

In addition, Mr. Leonoudakis indicates that CityPark has agreed to implement additional valet parking over a four week period in November and December to accommodate holiday shoppers who might otherwise be displaced by the hotel parking program. The City would be responsible to pay an additional \$10,000 for the cost of valet parking to park shoppers' vehicles by stacking some of them in the aisles. Such a valet service during the holiday shopping season would enable the garage to accommodate an additional 67-75 vehicles, to replace the 67 parking spaces dedicated to hotel valet parking.

Mr. Leonoudakis states that the \$45,000 one-time cost of the new parking gate and the \$10,000 annual cost for valet service during the holiday season would be the only additional costs to the City for this program. Any other costs associated with the operation of the program would be paid by CityPark, according to Mr. Leonoudakis.

7. Mr. Leonoudakis states that he is confident that the 107 spaces to be allocated for hotel parking under the proposal would be fully utilized by hotels. He states that the proposed daily parking fee of \$7.75 per vehicle has been "designed so we receive 100 percent participation." He states that he has negotiated prospective agreements with several hotels to occupy the 107 spaces.

Mr. Hagerty states that he understands that the hotels would enter into written agreements with CityPark to lease a designated number of spaces

at the \$7.75 rate, and that the hotels would remit total payments based on this rate and the designated number of spaces regardless of whether or not hotel vehicles actually occupy the spaces on any given day. If this were done, then CityPark would receive \$7.75 per day for 107 parking spaces, or \$829.25 per day, for annual revenue of approximately \$302,676. (The Department of Parking and Traffic has calculated that annual revenue from this program would be \$299,847; however, this number is equivalent to participation by 106, rather than 107 vehicles.)

Under the City's lease with CityPark, the City receives 79.746 percent of revenues generated at the Union Square garage. Estimated gross receipts in the amount of \$302,676 from this program would therefore result in estimated revenue to the City of \$241,372. However, this figure relies on hotel parking being made available for 365 days. If hotel parking were available for only ten months (304 days), gross receipts would be only \$252,230, and the City's percent share would be only \$201,143. This is \$40,229 or approximately 16.7 percent less than the revenue which would be generated over twelve months.

8. Some operators of private garages in the Union Square area have expressed concern that CityPark's proposed hotel parking rate of \$7.75 per day per vehicle does not represent a fair market price for hotel parking in the Union Square area. The Budget Analyst notes that since parking garages represent a commodity which is in fixed supply, the price of parking services will be largely determined by the nature of the demand. Mr. Leonoudakis and Mr. Tim Johnson, of the Department of Parking and Traffic, indicate that travel to Union Square has been adversely affected by the recession and the lingering effects of the Loma Prieta Earthquake. Economic principles suggest that if these events have caused a decline in demand for parking services in the Union Square area, then intensified competition for customers would result in lower prices at parking garages in the area.

The Budget Analyst has been contacted by Ms. Julie De Gregorio, a representative for Harsch Investments and California Parking, which operate several parking garages at Union Square. Ms. De Gregorio has provided a list of rates for 24-hour parking and hotel parking which are currently in effect at a number of garages, which is attached to this report. The lowest rates shown for hotel parking are \$10.00 per vehicle at the 450 Sutter Street garage, operated by Harsch Investments, while the highest rate is \$18 at the 400 Taylor Street Garage. Of the 21 listed rates, 13, or almost 62 percent, involve prices in the range of \$13 to \$15. The average price is \$13.37, although the nature of the services provided at the prices shown may vary.

The Budget Analyst has attempted, through contacts suggested by Mr. Leonoudakis and Ms. De Gregorio and by direct requests to both parties, to obtain information on the existing rates for hotel parking, the dates the rates went into effect, and the general terms of the agreements. In particular, information which would affect the market price includes the

date the rate was established, the term of the contract, the number of vehicles concerned, and whether fees would be paid for a designated number of spaces, regardless of usage, or only for the actual number of vehicles parked in a given facility.

Information with this type of specificity has not been provided. Without further details as to the nature and terms of the contracts, information concerning existing prices is of limited usefulness in gaining insight into current pricing practices.

9. As noted above, Mr. Leonoudakis has stated that the \$7.75 proposed daily rate was designed to ensure 100 percent participation, and CityPark has submitted letters from several hotels indicating that they are extremely enthusiastic about the proposed price. Mr. Leonoudakis states that the proposed rate is at "the low end of the market," but he argues that the proposed rate is designed to induce hotels to participate as quickly as possible, in order to generate revenues immediately.

Mr. Leonoudakis states that he believes the current market would support a maximum price of only \$9 to \$10 per vehicle. However, he is not willing to offer a price of \$9 or more per vehicle for hotel parking at the Union Square Garage, because he asserts that those hotel proprietors with whom he has negotiated are unwilling to pay this price. As an example, he states that the Grand Hyatt Hotel, one of his potential contractors, is presently able to park vehicles at a rate of \$8.25 per vehicle, and would be unwilling to pay more than the proposed amount of \$7.75 to change garages. Calls made by the Budget Analyst to the General Manager of the Grand Hyatt Hotel were not returned.

Mr. Leonoudakis has also stated that the Four Seasons Clift Hotel is negotiating a rate of \$8.25 per vehicle, but this figure was not confirmed by the General Manager of the Hotel. Although the Clift Hotel presently pays \$12.75 per vehicle, based on actual usage, the General Manager of the Clift Hotel stated that, in her opinion, the current market rate is probably \$10.00 per vehicle for vehicles actually parked. A proprietor of another hotel in Union Square, who wishes not to be named, indicated that he had recently negotiated a contract for \$10.00 per vehicle for 25 to 50 vehicles per day, although he would pay only for the vehicles actually parked. He stated that, in his opinion, the current market rate is probably \$9 to \$11 per vehicle. Ms. De Gregorio indicates that Harsch Investments has recently negotiated an agreement with a Union Square hotel, which will take effect in August, to provide hotel parking at a rate of \$10.00 per vehicle actually parked.

10. Mr. Leonoudakis has indicated that the Grand Hyatt Hotel rents a specific amount of space in a private garage at Union Square for \$8.25 per vehicle. As noted above, the General Manager of the Grand Hyatt Hotel was not available to provide further information in response to calls by the Budget Analyst. Therefore, information is not presently available

concerning the date that the rate may have been established, the period of the agreement, nor the number of spaces covered by the agreement.

Ms. De Gregorio states that the \$8.25 rate is misleading, because the Grand Hyatt Hotel pays a flat rate for a fixed number of spaces regardless of whether or not the spaces are utilized. Ms. Gregorio has submitted calculations, based on information provided by the garage operator, to indicate that the effective rate to the Grand Hyatt Hotel (the rate paid per vehicle actually parked) is \$12 to \$14 per vehicle.

11. A "predatory price" is a price which is set below the cost of producing a commodity in order to obtain a competitive advantage. To establish such a price is a violation of anti-trust laws. Predatory prices interfere with competition because they do not reflect actual costs of production and force one's competitors to suffer financial losses. In the short run, they can damage the financial position of one's competitors by forcing them to lower prices below production costs or, alternatively, to risk losing customers. Since such prices do not reflect the actual costs of providing a service, they cannot be maintained in the long run.

The question of whether the \$7.75 proposed rate for hotel parking at the Union Square Garage is a predatory price is beyond the scope of this report, since it involves access to proprietary information regarding operating costs. However, Mr. Leonoudakis estimates that 4,000-7,000 spaces are required for hotel parking in the Union Square area. Since the market share of the Union Square Garage for hotel parking spaces would be insubstantial, even if 107 spaces were set aside for this purpose, the garage cannot significantly influence the market price for hotel parking.

12. The Budget Analyst believes that the statements made by Mr. Leonoudakis regarding the proposed \$7.75 hotel parking rate are sufficient to conclude that the proposed rate represents a discount from hotel parking rates presently available in the Union Square area. The effect of the rate could be a loss of market share by other garages in the immediate vicinity, who could be required to offer a similar price to any of their customers who were to consider CityPark's offer.

13. The hotel parking program has been proposed as a means to increase revenues to the Union Square Garage without raising fees for "transient," or short-term hourly, parking at that facility. The Department of Parking and Traffic, Mr. Leonoudakis, and representatives of private garages have all noted the higher rates now charged for transient parking at the Union Square Garage as compared to those of other City-owned garages at Union Square. Although private garages also offer transient parking at Union Square, the above-named representatives have generally agreed that transient parking for the general public, especially for persons visiting retail establishments at Union Square, are primarily served by the public garages. Those garages are the Ellis/O'Farrell Garage, the 5th and Mission Garage, the Sutter-Stockton Garage, and the Union Square Garage.

Mr. Hagerty reports that vacancy rates at the Ellis/O'Farrell garage and the Sutter-Stockton garage have typically been significantly lower than the estimated 40 percent average vacancy rate at the Union Square garage. In fact, Mr. Hagerty states that the Ellis/O'Farrell garage is currently being expanded by 376 spaces from 912 to 1,288 spaces to accommodate transient parking at Union Square, an increase in capacity of more than 41 percent. Expansion of the Fifth and Mission garage is also scheduled to begin in January 1993, to increase capacity from the current 1,782 spaces to 2,622 spaces, an increase of more than 47 percent. In contrast, the Union Square Garage, with total capacity of 1,100 vehicles, typically has several hundred vacant parking spaces, except during holiday periods. However, a space availability study submitted by Mr. Leonoudakis indicates that on Sunday, December 15, 1991 between the hours of 10:00 a.m. and 5:00 p.m., the average vacancy rate at the Union Square Garage was 492 spaces, or approximately 44.7 percent of the 1,100 available spaces. If the vacancy rate remains at this high rate at peak holiday shopping periods, the Budget Analyst questions the need for additional valet parking services, at a cost to the City of \$10,000 per year, for holiday shoppers.

14. The Union Square Garage has also proposed a validation program whereby merchants will directly purchase parking stamps, at the standard rate charged to the public, for distribution to their customers. This arrangement would transfer the cost of parking from individual consumers to those merchants who believe they would benefit from increased patronage. However, the proposal submitted by Mr. Leonoudakis indicates that this program would be suspended during November and December, during the holiday shopping season.

15. The Budget Analyst has estimated, based on occupancy rates submitted by the Department of Parking and Traffic, that the Sutter Stockton Garage realizes average income, based on current rates, of \$3.15 per vehicle, which corresponds to an average stay of approximately 3.3 hours. In contrast, the average vehicle at the Union Square Garage now pays \$5.03 for an average stay of 2.5 hours. The Budget Analyst has also calculated that, when monthly parking is excluded from consideration, the Union Square Garage has 56.2 percent of the capacity of the Sutter Stockton Garage. However, the projected gross revenues to the Union Square Garage for 1992-93 would be 75.5 percent of the estimated revenues for the Sutter-Stockton garage, despite the considerably higher occupancy seen at the Sutter Stockton garage. These figures do not include estimated gross receipts from the proposed hotel parking program.

The Budget Analyst believes that the considerably higher hourly parking rates at the Union Square Garage, combined with the congestion at other public facilities, will yield above average revenues to the Union Square garage, even though it is under-utilized.

However, rate increases at the Sutter-Stockton Garage, if they are instituted on October 1, could make additional space available at Sutter-Stockton Garage, if some customers choose not to pay the higher prices. Since rates at the Sutter-Stockton Garage would still be lower than at the Union Square Garage, any additional space at Sutter-Stockton could encourage customers of the Union Square Garage to park at Sutter-Stockton, and thus result in a decline in occupancy at the Union Square Garage. Once the planned expansion of the Ellis-O'Farrell Garage is completed in late November, occupancy rates at the Union Square Garage could be expected to decline further. The Budget Analyst therefore believes that attention should continue to be focused on means to fully utilize the available space at the Union Square Garage, and suggests that lowering the transient parking prices, to make them more competitive with the rates of other public garages, may be appropriate. Such lower prices, if they result in increased usage, could result in overall additional revenue to the City.

16. With regard to hotel parking prices, the Budget Analyst notes that the proposed hotel parking at the Union Square Garage would employ a contract similar to the Grand Hyatt Hotel contract reported by Mr. Leonoudakis and Ms. De Gregorio, based on a flat rate for a designated number of spaces. Since according to Mr. Leonoudakis, a rate of \$8.25 is reportedly in effect under this type of contract, and since Mr. Leonoudakis has indicated an unwillingness to exceed a rate of \$8.50 to \$8.75, the Budget Analyst believes that an adjustment of the proposed rate for the Union Square Garage from \$7.75 to \$8.25 or \$8.50 should be considered by the Finance Committee, following additional discussion by interested parties. An increase of \$.75 per parking space to \$8.50 would result in additional annual gross receipts of approximately \$29,291. The City would receive 79.746 percent of this amount, or approximately \$23,358.

The Budget Analyst notes that a price of \$8.50 would still be below the estimated market price of \$10 suggested by some hotel representatives, which is based on the number of spaces actually used by the hotels, rather than a guaranteed payment for a specified number of spaces. At a fixed rate of \$8.50 for 107 spaces, daily revenue to the Union Square Garage for hotel parking would be \$909.50. If the Union Square Garage instead charged \$10 for the spaces which the hotels actually used, 91 spaces would have to be used each day (or approximately 85 percent of 107 spaces), to generate the same \$909.50 in gross receipts.

Recommendation: The proposed garage parking rate increases are a policy matter for the Board of Supervisors.

UNION SQUARE HOTEL PARKING RATE SURVEY

Garages with 24 Hour Rates
(24 Hours with in & out priviledges)

Location	Type	24 Hr. Rate
Mason/O'Farrell	Private Garage	16.50
Taylor/O'Farrell	Private Garage	18.00
Taylor/O'Farrell	Hilton Hotel	18.00
Ellis/Taylor	Nikko Hotel	21.00
Ellis/Powell	St. Francis Hotel	20.00
Sutter/Powell	Holiday Inn Union Sq.	18.00
Post/Stockton	Hyatt on Union Square	20.00
Sutter/Powell	Sir Francis Drake	20.00
Post/Mason	Pan Pacific Hotel	20.00
Sutter/Powell	Private (White House)	20.00
450 Sutter Street	Private Garage	16.75
Mason/Post	Donatello Hotel	19.00
Sutter/Stockton	City Garage	14.75
Ellis / O'Farrell	City Garage	17.25

HOTEL OFFSITE/OVERFLOW RATES
(Includes in & out priviledges)
valet Service Not Included in Rate

Hotel	Parking Facility	Rate
* Clift Hotel	400 Taylor St.	\$ 12.75
Alexander Hotel	" " "	12.50
Mark Twain Hotel	" " "	12.50
Pan Pacific Hotel	520 Mason St.	16.00
Hilton Hotel	400 Taylor St.	18.00
Hilton Hotel	261 Ellis St.	13.00
Hilton Hotel	Downtown Center	14.00
Park 55 Hotel	Hilton Garage	15.00
St. Francis Hotel	Downtown Center	14.00
** Hyatt Hotel	White House Garage	13.00
Marines Memorial	Olympic Garage	13.00
Sheehan Hotel	" "	13.00
Nikko	261 Ellis St.	13.00
Campton Place	450 Sutter	15.00
Chancellor	450 Sutter	10.00
Cartright	450 Sutter	10.00
In On Union Square	450 Sutter	10.00
King George Hotel	Downtown Center	14.00
Rapheal	Downtown Center	14.00
Villa Florence	Downtown Center	14.00
Park 55	Downtown Center	14.00

* The City Park rate survey indicated that the Clift Hotel pays \$7.50 per car for 24 hour hotel parking. This is false. The Clift pays \$12.75. Barrett Corporation had charged the Clift \$7.50, a rate which remained in effect for over 10 years, before leasing the garage to California Parking Company in April of this year. The \$7.50 rate was not an "arms length agreement" it reflected a relationship between the Barrett Corp. and the owner of the Clift Hotel Property. These parties do buisness in various capacities at

Item 4 - File 97-92-37

Note: This item was continued from the Finance Committee meeting of June 24, 1992

Item: Ordinance amending Chapter 2, Article VIII, San Francisco Administrative Code (Temporary Use or Occupancy of Public Streets), by amending section 2.70-6 thereof, to increase the application fee for temporary use of streets for street fairs from \$40 to \$80 dollars.

Description: Chapter 2, Article VIII of the San Francisco Administrative Code outlines procedures for the closure of streets for public events sponsored by private groups or community organizations.

The proposed ordinance would raise the fee for filing an Application for Temporary Use of Street for Street Fair from \$40 to \$80. The application must be filed no later than 90 days prior to the proposed date of the event.

There are two types of fees which must be paid by community groups for street closures. One is the application fee (the subject of the proposed ordinance) which must accompany an Application for Temporary Use of Street for Street Fair. The second type of fee is the "Fee to be Charged for the Permit," which is determined according to a schedule of fees also contained in Article VIII of the Administrative Code. The proposed ordinance would not amend the permit fees, including rates of reimbursement for the services of City Departments, but would only amend the fee for filing the street closure application.

Comments: 1. Mr. Tim Johnson of the Department of Parking and Traffic (DPT) indicates that there have been 172 public events in 1991-92 for which street closure applications were filed. The revenue from these street closure applications, at \$40 per application, was \$6,880.

2. In contrast, Mr. Johnson indicates that DPT's actual costs for processing the applications, consisting primarily of personnel costs, is estimated to have been \$13,722 in 1991-92. Based on 172 events, the \$40 increase in the application fee to \$80 would generate \$13,760, and would offset the Department's actual costs to process street closure applications, according to Mr. Johnson. The increase in revenue resulting from the \$40 increase in the

application fee would be \$6,880 per year, if the higher application fee were imposed for the entire fiscal year.

However, the Budget Analyst notes that since two readings of the proposed ordinance are required prior to approval by the Board of Supervisors, and because the proposed ordinance would not take effect until 30 days after the date it is signed by the Mayor, it is doubtful that the proposed higher fee could take effect until approximately September 1, 1992, after two months of the fiscal year had passed. Based on an average of 14.33 applications per month, and a \$40 fee for 2 months and an \$80 fee for ten months, the estimated total revenue for street closure application fees in 1992 if the proposed ordinance is approved would be \$12,610.

3. As noted, if the application fee were raised from \$40 to \$80 and 172 applications are filed in 1992-93, revenues in 1992-93 would be \$12,610, or \$1,112 less than the Department's 1991-92 cost to process the applications, as reported by Mr. Johnson. The Budget Analyst notes that, with salary standardization for clerk positions at DPT of approximately 9.5 percent, the Department's processing costs would increase from \$13,722 in 1991-92 to approximately \$15,026 in 1992-93. However, the proposed increase in the application fee would generate \$12,610, or \$2,416 less than DPT's projected costs of \$15,026 in 1992-93.

4. Mr. Johnson indicates that the street closure application fee is paid for a variety of events, which are not limited to street fairs. Athletic events are included, as are block parties and many other small assemblies.

5. The Department of Parking and Traffic's proposed 1992-93 budget includes projected revenue in the amount of \$13,200 from the street closure application fee, or \$590 more than the revised estimates of \$12,610.

Recommendation:

Approve the proposed ordinance in order to recover the Department's costs of providing these services.

Item 5 - File 123-92-2

Note: This item was continued by the Finance Committee at its meeting of June 24, 1992.

Department: Department of Public Works (DPW)
Bureau of Engineering

Item: Ordinance amending Part II, Chapter X, of the San Francisco Municipal Code (Public Works Code) by amending Sections 179, 184.52, 708.2 and 725.3 to increase the amounts of various fees provided for in those sections.

Description: The Department of Public Works (DPW) currently collects fees to cover the costs of processing various permits for encroachment of public sidewalks.

DPW proposes to increase those fees as shown below:

<u>Type of Permit</u>	<u>Existing Fee</u>	<u>Proposed Fee</u>	<u>Percentage Increase</u>
Tables and Chairs	\$360/year	\$1,200/year	233.3
Distribution of Free Sample Merchandise	\$80/occurrence	\$100/day	25.0
Sidewalk Reconstruction	\$12/100 sq. ft.	\$15/100 sq. ft.	25.0
Debris Boxes	\$10/box	\$20/box	100.0

1. The Department has provided the Budget Analyst with fee and revenue information for FY 1991-92 and FY 1992-93 on its Street Use Management Program, which includes fees and revenues for the subject four permits (Attachment). The Department reports that the Street Use Management Program estimates total expenditures of \$2,173,528 in FY 1991-92, of which approximately \$1,402,000 or 65 percent, is recovered through fees. The proposed fee increase would increase those fee revenues by approximately \$168,000 to \$1,570,000 in FY 1992-93, which is an increase of approximately 12 percent. Total projected expenditures for FY 1992-93 is \$2,295,513, such that the proposed fee increase which would total \$1,570,000 would result in a cost recovery of 68 percent of these costs.

2. Mr. Vit Troyan, Director of Public Services in the DPW, reports that the Department does not recover the full costs of its Street Use Management Program because the Program includes such general government functions as pavement management and inspection of roadway structures. Although, in general, the Budget Analyst recommends approval of fees to recover Department expenditures, given

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that the proposed fee increases range up to 233 percent, the Budget Analyst believes approval is a policy matter for the Board of Supervisors.

3. The Mayor's FY 1992-93 budgeted revenues includes the proposed revenue enhancement of \$168,000.

4. Mr. Troyan has informed the Budget Analyst that the Department will request a continuance of the proposed ordinance to the Finance Committee meeting of July 22, 1992, for the purpose of permitting the Department to hold a public hearing on the proposed fee increases.

5. Based on an anticipated effective starting date of approximately September 1, 1992, Mr. Troyan reports that a delay of approximately two months in implementing the proposed fee increases would reduce the FY 1992-93 revenue estimate by approximately \$28,000 to \$140,000.

Recommendations: 1. The decision of whether to increase fees in the Street Use Management Program is a policy decision for the Board of Supervisors.

2. Continue the item to the July 22, 1992, Finance Committee meeting as requested by the Department.

PROPOSED MISCELLANEOUS FEE INCREASE FOR FISCAL YEAR 1992-93

FUND OBJECT	TYPE OF FEE	CURRENT FEE	TOTAL BUDGETED REVENUE FOR FY 91-92	PROPOSED FEE	TOTAL PROJECTED REVENUE FOR FY 92-93
5214	Sidewalk Flower Market	\$100+	7,000	Same	7,000
7227	Curb Reconstruction	\$60/Dy	35,000	Same	35,000
7227	Street Space	1/10 of 1% Const. Cost	550,000	Same	400,000
7239	Misc. Service Charges Free Sample Merchandise Tables & Chairs	\$40 \$360	40,000	\$100 \$1200	65,000
7241	Overhead Cost	\$10	100,000	\$20	250,000
7242	Sidewalk Permitt	\$12/100 Sq.Ft	90,000	\$15/100 Sq.Ft	112,000
7244	Sidewalk Phones	15% of Revenue	500,000	Same	605,000
TOTAL REVENUE			1,402,000		1,570,000
TOTAL EXPENDITURE BUDGET			2,173,528		2,295,513
TOTAL GENERAL FUND			771,528		725,513

Item 6, 7 and 8 - File 124-92-6, 124-92-7 and 192-92-4

Note: These items were continued by the Finance Committee at its meeting of June 24, 1992.

Department: Department of Parking and Traffic (DPT)

Item: 124-92-6: Ordinance amending Article 9 of Part II, Chapter XI of the San Francisco Municipal Code (Traffic Code) by adding Section 170.1 relating to imposing an administrative fee for removing vehicles from City streets and highways.

124-92-7: Draft Ordinance amending Part II, Chapter XI of the San Francisco Municipal Code (Traffic Code) by adding, as Article 13A, Section 225 relating to establishment of a service authority for abatement of abandoned vehicles; Section 244.1 relating to imposing a fine on owners of abandoned vehicles; Section 226 relating to imposing a service fee for the Abandoned Vehicle Trust Fund; and Section 228 relating to preparation of an Abandoned Vehicle Abatement Program and Plan; and by amending Article 14 in the following particulars: amending Sections 230, 231 and 245 to include highways as property from which abandoned vehicles may be removed; further amending Section 231 thereof to add a definition of "Director of Parking and Traffic"; and further amending Section 245 to allow monies received from the State's Abandoned Vehicle Trust Fund to be credited to the Abandoned Vehicle Abatement and Removal Fund of the City.

192-92-4: Resolution designating the Parking and Traffic Commission of the City and County of San Francisco as the Service Authority for the Abatement of Abandoned Vehicles and establishing a \$1.00 annual registration fee on all vehicles registered in San Francisco to be used only for the abatement, removal, and disposal of abandoned vehicles.

Description: The California Vehicle Code Section 9250.7 allows counties to establish service authorities to handle abandoned vehicles and impose a \$1.00 annual vehicle registration fee to reimburse the counties for costs to administer the program. Such fees are collected by the State Department of Motor Vehicles from vehicle registration fees and disbursed to the counties based on the number of registered vehicles in the county. To date, 20 counties have established service authorities and imposed the \$1.00 vehicle registration fee.

These three proposed pieces of legislation would establish: 1) the City's Parking and Traffic Commission as the Service Authority for Abandoned Vehicle Abatement, 2) the \$1.00

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annual registration fee, 3) authorize the Director of Parking and Traffic to impose a fine upon the owner of any abandoned vehicle removed and 4) the Abandoned Vehicle Abatement and Removal Fund to deposit the \$1.00 registration fees received from the State. The Abandoned Vehicle Abatement and Removal Fund would be used only for the abatement, removal, and disposal of abandoned vehicles. In addition, the proposed legislation would include highways as a place where abandoned vehicles could be removed by the City. Streets are included in the definition of highway.

Comments:

1. There are approximately 464,000 vehicles registered in the City and County of San Francisco. Thus, the proposed \$1.00 annual vehicle registration fee would generate an estimated \$464,000 annually. The Department of Motor Vehicles would collect an administrative fee of approximately one percent or \$4,640 annually from the amount collected. Thus, the City would collect approximately \$459,360 annually to administer the Abandoned Vehicle Abatement Program.

2. Currently, the Department of Parking and Traffic Enforcement Division manages the Vehicle Abatement and Removal Program which entails dispatching the tow trucks, writing citations, issuing warnings, and etc.

3. According to the Department of Parking and Traffic, the annual administrative costs associated with the abatement and removal of abandoned vehicles is \$424,759. These costs are currently being funded by the General Fund through the Department of Parking and Traffic's Enforcement Division. For FY 1992-93, such expenses are included in DPT's Enforcement Division's General Fund budget. The Department reports that if the proposed ordinances and resolution are approved by the Board of Supervisors, collection of the proposed \$1.00 vehicle registration fee would begin January of 1993, when the State permits counties to implement the fee. As such, in FY 1992-93, the City would collect an estimated \$230,000 that would be deposited into the Abandoned Vehicle Abatement and Removal Fund account and then transferred to the General Fund as a reimbursement. General Fund contributions would be reduced in FY 1992-93 by approximately \$230,000 and in FY 1993-94 by approximately \$424,759.

4. The Board of Supervisors would appropriate the funds from the Abandoned Vehicle Abatement and Removal Fund as a revenue in DPT's annual budget, beginning in FY 1993-94. In FY 1992-93, as described above, the Abandoned Vehicle Program will be funded with General Fund monies and

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reimbursed \$230,000 later in the year by the Abandoned Vehicle Abatement and Removal Fund.

5. In addition to establishing the proposed \$1.00 vehicle registration fee, the proposed ordinance (File 124-92-7) would authorize the Director of Parking and Traffic to impose a fine on the owner of an abandoned vehicle for the reimbursement of the costs of removal and administration of the abandoned vehicle program. According to Mr. Tim Johnson of the Department of Parking and Traffic, the Department of Parking and Traffic already imposes a fine of \$50 (scheduled to increase to \$53 in FY 1992-93) on owners of abandoned vehicles under Traffic Code 37A which prohibits leaving vehicles in the same place for more than 72 hours. According to Mr. Johnson, the proposed ordinance would codify the existing fine.

6. The July 1, 1992 Finance Committee calendar lists File 124-92-7 as a draft ordinance. However, according to the City Attorney's Office, File 124-92-7 is now in final form.

Recommendations: The proposed ordinances and resolution are policy matters for the Board of Supervisors.

Item 9 - File 97-92-34

Note: This item was continued from the Finance Committee Meeting on June 24, 1992.

1. The proposed ordinance would amend the Administrative Code by amending Section 8.14 to authorize the Medical Examiner/Coroner to establish fees for certain services and to increase fees for copies of documents and certain services.

2. Section 8.14 of the Administrative Code outlines the Medical Examiner/Coroner's fee schedule for copies of documents and certain services. The proposed ordinance would amend Section 8.14 to increase fees for copies of documents and certain services as follows:

<u>Type of Document or Service</u>	<u>Fee Current</u>	<u>Proposed Fee</u>	<u>Increase</u>
Proof of Death for Insurance Purposes	\$2.00	\$5.00	\$3.00
Statement of Attending Physician at Death	2.00	5.00	3.00
Certified Copy of Verdict of Inquest	2.00	5.00	3.00
Certified Copy of Necropsy (gross examination of autopsy) Report	5.00	7.50	2.50
Certified Copy of Pathology Report	5.00	7.50	2.50
Certified Copy of Toxicological Report	5.00	7.50	2.50
Certified Copy of Coroner's Register Page	5.00	7.50	2.50
Search of Records	5.00	7.50	2.50
Disaster Bags for Decomposed, Accident or Infectious Disease Cases	15.00	15.00	0
Forensic Autopsy performed on non-Medical Examiner/Coroner's cases or Outside County	900.00	1,200.00	300.00
X-rays	8.00	50.00	42.00
Copies of X-rays	5.00	10.00	5.00
Re-cut Microscopic Slides	8.00	10.00	2.00
Outside Use of Facilities for Identification of Remains	25.00	30.00	5.00
Storage of Remains for Funeral Directors for Other than Medical Examiner/ Coroner's Cases, per Day	5.00	25.00	20.00
Removal and Storage of Remains from Rest Homes or Other Agencies that have no Facilities for Cold Storage	45.00	100.00	55.00
Autopsy Reports to Hospitals and Attending Physicians	2.00	5.00	3.00
Certified Copy of Letter Confirming Death Pending Completion of Autopsy	2.00	5.00	3.00
Forensic Alcohol Report	55.00	65.00	10.00
Blood Screen for Drugs, I	125.00	0	(125.00)
Blood Screen for Drugs, II	150.00	0	(150.00)
Blood Quantification for Drugs	0	250.00	250.00*

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Type of Document or Service</u>	<u>Fee Current</u>	<u>Proposed Fee</u>	<u>Increase</u>
Urine Testing for Drugs	\$125.00	\$250.00	\$125.00
Gastric Screen	125.00	150.00	25.00
Tissue Screen	150.00	175.00	25.00
Pre-trial Conference at Medical Examiner/ Coroner's Office	75.00	100.00	25.00
Pre-trial Conference at County of Request	90.00	250.00	160.00
Deposition at Medical Examiner/Coroner's Office	100.00	150.00	50.00
Court Testimony, Criminal Case, Toxicologist	110.00	200.00	90.00
Deposition Outside San Francisco County	150.00	200.00	50.00
Court Testimony, Criminal Case, Forensic Pathologist	200.00	250.00	50.00

*The Blood Quantification for Drugs fee is being substituted for the Blood Screen for Drugs, I and II fees.

3. Additionally, Section 8.14 would be amended to add a new fee for services as follows:

	<u>Proposed Fee</u>
1) Removal and Storage of Body at Medical Examiner/ Coroner's Office (Government Code 27422)	\$100.00

4. In relationship to the above noted new fee, Section 8.14 would also be amended to add new language which provides that pursuant to Section 27472 of the Government Code, whenever the Medical Examiner/Coroner takes custody of a dead body, the Medical Examiner/Coroner may charge the person entitled to control the remains (as specified in Section 7100 of the Health Code), the actual expense incurred in removing the body from the place of death and keeping the body until its release to the person responsible for its interment. The charge for such services would be in an amount not to exceed \$100, and would not include expenses of keeping the body during the time necessary for the Medical Examiner/Coroner to perform his or her duties in connection with it. If the charge is not paid initially, it may be considered a part of the funeral expenses and paid as a preferred charge against the estate of the decedent. All cases brought into the Medical Examiner/Coroner's Office would be charged for these services, with the exception of the following: (1) decedents under 14 years of age, (2) homicides, (3) in custody or police involved cases, (4) indigents (County disposition), (5) cases in which private charitable funds available to pay funeral costs would thereby be reduced so as to preclude payment and (6) any cases specifically exempted at the discretion of the Medical Examiner/Coroner or his designee.

5. Finally, Section 8.14 would be amended to stipulate that "All fees received for documents and services mentioned in this Section shall be deposited with the Treasurer and shall be used to defray the costs incurred by the Medical Examiner/Coroner in issuing such documents or providing such services", instead of "shall be deposited with the Treasurer and recorded as revenue for the Medical Examiner/Coroner's Office." This amendment corrects the legislation to bring it into compliance with Government Code 54985-54987. The amended language reflects the Medical Examiner/Coroner's use of the revenues generated by these fees, to directly offset costs to provide these services.

Comments

1. The Medical Examiner/Coroner's 1991-92 budget originally included a revenue amount of \$45,000 for the existing fees. However, as of the writing of this report, the Department's estimated revenue for 1991-92, based on these fees, is approximately \$25,000. The Department projects that the proposed fee schedule changes will generate an additional \$120,000 in revenue annually for a total of approximately \$145,000 annually. This increased revenue amount is included in the Mayor's recommended 1992-93 budget. The Department reports that the annual costs to issue the documents and provide the services noted above, is approximately \$145,000. The Medical Examiner/Coroner advises that approximately 90 percent of the additional \$120,000 in revenue, or approximately \$108,000, would be generated by the proposed new fee for removal and storage of bodies.

2. It should be noted that the proposed fee schedule changes will not take effect prior to approximately September 1, 1992, because of the time required for the Board of Supervisors to process the proposed ordinance and a required 30-day grace period, following the Board of Supervisors approval, before the proposed fee changes could take effect. As such, it is estimated that the amount of revenue to be generated for 1992-93 will total approximately \$125,000 or \$20,000 less than the \$145,000 annualized amount.

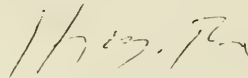
Recommendation

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 10 - File 100-92-1

Item: This item is a hearing to consider the Annual Budget of the City and County of San Francisco for fiscal year 1992-93.

Note: Please see the Budget Analyst's report dated June 25, 1992 entitled Recommendations of the Budget Analyst for Amendment of the Mayor's Fiscal Year 1992-93 Budget.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

PLEASE NOTE THAT MEETING
WILL BEGIN AT 3:30 P.M.
INSTEAD OF 2:00 P.M.

CALENDAR - Action Taken

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BUDGET REVIEW MEETING
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

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PUBLIC LIBRARY

THURSDAY, JULY 2, 1992 - 3:30 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

1. File 101-92-2. [Annual Appropriation Ordinance] Annual Appropriation Ordinance for Fiscal Year 1992-93. (Controller)

ACTION: Recessed to July 9, 1992.

2. File 102-92-2. [Annual Salary Ordinance] Annual Salary Ordinance for Fiscal Year 1992-93. (Civil Service Commission)

ACTION: Recessed to July 9, 1992.

THE FOLLOWING ITEM, FILE 97-92-25, WILL BE CONSIDERED WHEN THE BOARD OF SUPERVISORS' AND TREASURER - TAX COLLECTOR'S BUDGETS ARE REVIEWED:

3. File 97-92-25. Hearing to consider the Annual Report on Memberships in Organizations. (Various)

Board of Supervisors
Treasurer - Tax Collector

ACTION: Hearing held. Filed.

File 97-92-25.2. Ordinance prepared in and reported out of Committee entitled: "Amending Administrative Code by amending Sections 16.6-1, to and 16.6-23 thereof, adding six and deleting four organizations represented by the Department of Treasurer/Tax Collector." Recommended.

File 97-92-25.3. Ordinance prepared in and reported out of Committee entitled: "Amending Administrative Code by amending Section 16.6-1, to correct the name changes of certain organizations in which the Board of Supervisors provides representation for the City and County of San Francisco." Recommended.

4. File 100-92-1. Hearing to consider the Annual Budget of the City and County of San Francisco for Fiscal Year 1992-93. (Mayor)

General Administration and Finance

70 Chief Administrative Officer
93 Convention Facilities Management
01 Board of Supervisors
25 Mayor
23 Children's Fund
08 Treasurer - Tax Collector
09 Controller
91 Purchaser
02 Assessor
78 Recorder
80 Registrar
37 Permit Appeals
65 Rent Arbitration Board
71 Real Estate
30 Civil Service
33 Health Service System
44 Retirement System

Public Protection

13 Adult Probation
12 Juvenile Court
63 Law Library
72 County Agriculture - Weights & Measures
74 Medical Examiner/Coroner
76 Animal Care and Control
79 Public Administrator/Guardian
44 District Attorney
05 Public Defender

97 General City Responsibilities

99 Capital Projects

ACTION: Budget Review hearings held. Recessed to July 9, 1992.

Public Library, Documents Dept.
ATTN: Gerry Roth

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

June 29, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: July 2, 1992 Finance Committee Meeting

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Items 1 and 2 - Files 101-92-2 and 102-92-2

The proposed Annual Appropriation Ordinance reflects revenues and expenditures as contained in the Mayor's recommended 1992-93 budget. The proposed Annual Salary Ordinance for Fiscal Year 1992-93 reflects the positions as contained in the Mayor's recommended 1992-93 budget.

Comment

The Budget Analyst has made numerous recommendations regarding reductions and changes to the Mayor's recommended 1992-93 budget, which are currently pending before the Finance Committee.

Item 3 - File 97-92-25

Departments: Board of Supervisors
Treasurer/Tax Collector

Item: The following item is a hearing to consider a proposed ordinance to amend the San Francisco Administrative Code relating to membership organizations as follows:

1) Amending Section 16.6-1 thereof, correcting names of two membership organizations represented by the Board of Supervisors.

2) Amending Sections 16.6-22 and 16.6-33 thereof, adding six and deleting four organizations represented by the Department of Treasurer/Tax Collector.

Description: This hearing is to consider an ordinance which would correct the names of the following two organizations shown in the San Francisco Administrative Code to be represented by the Board of Supervisors:

<u>Current Name</u>	<u>Corrected Name</u>
County Supervisors Association of California	California State Association of Counties
National Association of Black County Officials	National Organization of Black County officials

Additionally, the Treasurer/Tax Collector requests an ordinance adding the following six organizations to the San Francisco Administrative Code to be represented by the Treasurer/Tax Collector:

<u>Organization</u>	<u>Annual Membership Dues</u>
CA Municipal Treasurers' Association	\$ 150
Govt. Finance Officers' Association	90
CA Assoc. of County Treasurers	150
CA Municipal Business Tax Assoc.	45
CA County Assoc. of Revenue and Reimbursement Officers	20
Intl. Organization of Wang Users	<u>10</u>
Total	\$ 465

The Treasurer/Tax Collector also proposes to delete the following four organizations currently included in the Administrative Code by the Treasurer/Tax Collector:

Organization

State Assoc. of County Treasurers
CA Inheritance Tax Appraisers Assoc.
County Tax Collectors' Assoc. of CA
CA Municipal Business Tax Assoc.

Comments:

1. The Treasurer/Tax Collector's Office reports that because the Department has not maintained its memberships in the four above-listed organizations which would be deleted from the Administrative Code, funds have not been budgeted for these organizations for several years.
2. The Treasurer/Tax Collector's 1992-93 budget includes a total of \$465 for annual membership dues in the above-listed organizations to be added to the Administrative Code. The Treasurer/Tax Collector's 1991-92 budget included \$350 for membership in the above-listed six organizations. The proposed increase from \$350 to \$465 for FY 1992-93 is due to increases in membership fees.
3. The California Municipal Business Tax Association would be moved from the Finance and Records Section of the Administrative Code (Section 16.6-33) and instead be included under the Treasurer/Tax Collector Section of the Administrative Code (Section 16.6-22).

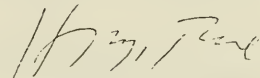
- Recommendations:**
- 1) Prepare in and report out an ordinance which would amend the San Francisco Administrative Code by amending Section 16.6-1 thereof, correcting the names of two organizations represented by the Board of Supervisors.
 - 2) Prepare in and report out an ordinance which would amend the San Francisco Administrative Code by amending Sections 16.6-22 and 16.6-33 thereof, adding six and deleting four organizations represented by the Department of Treasurer/Tax Collector.

Memo to Finance Committee
July 2, 1992

Item 4 - File 100-92-1

Item: This item is a hearing to consider the Annual Budget of the City and County of San Francisco for fiscal year 1992-93.

Note: Please see the Budget Analyst's report dated June 26, 1992 entitled Recommendations of the Budget Analyst for Amendment of the Mayor's Fiscal Year 1992-93 Budget.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

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CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 2, 1992

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TO: Finance Committee

FROM: Budget Analyst

SUBJECT: 1992-93 Budget Review "Clean-up" Items

JUL 2 1992
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Items pending final action by the Finance Committee

<u>Department</u>	<u>Item</u>	<u>Amount</u>
Police Department (page 153 of the 6/24/92 Budget Analyst report to the Finance Committee)	Other Contractual Services	\$85,300
Municipal Railway (page 2 of the Budget Analyst report to Finance Committee of 6/30/92 concerning Mayor's Proposed Adjustments to the 1992-93 Budget)	Passenger Incentive Program and Clean and on Time Program	\$2,011,396
Fire Department (page 145 of the 6/24/92 Budget Analyst report to the Finance Committee)	Holiday Pay	\$181,678

<u>Department</u>	<u>Item</u>	<u>Amount</u>
Commission on Aging (Mayor's Budget Adjustment) and Budget Analyst Report to the Finance Committee of 6/25/92 for Department of Social Services (page 22), Department of Public Health, Central Office (page 36), and Community Mental Health (page 65)	Cost of Living Adjustment for Non- Profit Contractors (4.2 percent or 4.5 percent)	\$256,557
Department of Public Health Central Office (page 36 of the 6/25/92 Budget Analyst Report to the Finance Committee)	Other Contractual Services	\$53,876
Department of Public, Central Office (page 38 of the 6/25/92 Budget Analyst Report to the Finance Committee)	Reproduction	\$31,000
San Francisco General Hospital (page 57)	Membership Dues	\$100,270

General Fund Reserve

Net of the Mayor's Budget Adjustments (Clerical Errors), the General Fund Reserve is approximately \$6 million or approximately \$4 million less than the \$10 million General Fund Reserve which has been maintained by the Mayor and the Board of Supervisors. Last Year, the Finance Committee included a statement in its Budget Message that the General Fund Reserve should remain as close as possible to the \$10 million level since the Committee believed that such a level was "crucial for maintaining the highest bond rating possible for the City and for strengthening the overall fiscal soundness of the City."

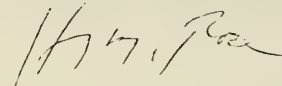
The Budget Analyst has recommended over \$6 million in General Fund cuts to the Mayor's budget. If the Finance Committee accepted approximately \$6 million in cuts, the General Fund Reserve would be approximately \$12 million. This amount of \$12 million compares with the \$10.3 million in problem areas identified by the Budget Analyst in the Mayor's Budget (net of the problem areas identified by the Budget Analyst which were corrected by the Mayor in his Budget Adjustments).

Memo to Finance Committee
July 2, 1992

Under such a scenario, the General Fund Reserve would have a balance of \$1.7 million if all of the problem areas identified by the Budget Analyst materialized.

Restoration of Budget Items Deleted by the Mayor and/or the Inclusion of Items not Funded by the Mayor

The Finance Committee may wish to use some or all of the cuts which the Committee has accepted, based on the Budget Analyst's recommendations, in order to establish reserves for the purpose of requesting the Mayor to appropriate items which the Mayor has deleted in the budget or to appropriate other items which the Committee believes should have been in the budget in the first place. The Committee has indicated that it has identified various items to be discussed at today's Finance Committee meeting.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

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C A L E N D A R

SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

MONDAY, JULY 6, 1992 - 11:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 60-92-4. [Special Election] Ordinance calling and providing for a special election to be held in the City and County on Tuesday, November 3, 1992, for the purpose of submitting to the voters of the City and county propositions to incur the following bonded debts of the City and County for the acquisition, construction or completion by the city and County of the following municipal improvements, to wit: \$350,000,000 to provide loans for the seismic strengthening of unreinforced masonry buildings for affordable housing, market-rate residential, commercial and institutional purposes and establishing certain terms and conditions in connection with said loans; \$158,100,000 for construction and reconstruction of correctional facilities to replace the existing San Bruno jail facilities; \$40,800,000 for construction and reconstruction of Fire Department facilities; that the estimated cost of said municipal improvements is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require expenditures greater than the amount allowed therefor by the annual tax levy; reciting the estimated cost of such municipal improvements; fixing the date of election and the manner of holding such election and the procedure for voting for or against the propositions; fixing the maximum rate of interest on said bonds and providing for the levy and collection of taxes to pay both principal and interest thereof; prescribing notice to be given of such election; consolidating the special election with the general election; and providing that the election precincts, voting places and officers for election shall be the same as for such general election. (Supervisors Hsieh, Gonzalez, Conroy)

ACTION: Amendment of the Whole bearing same title, as presented by Supervisor Hsieh, adopted. Recommended as amended. (To Board as a Committee Report for consideration on July 6, 1992.)

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2. File 114-92-4. [Earthquake Hazard Reduction] Ordinance amending Part II, Chapter 1 of the San Francisco Municipal Code (Building Code) by adding Chapters 14 and 15 revising Chapters 2, 3 and 23 thereto relating to earthquake hazard reduction in unreinforced masonry bearing wall buildings. (Supervisors Hsieh, Migden, Alioto, Shelley, Maher, Achtenberg, Kennedy)
(Transferred from City Services Committee 6/9/92 – Fiscal Impact)

ACTION: Amendment of the Whole bearing same title, as presented by Supervisor Hsieh, adopted. Recommended as amended. (To Board as a Committee Report for consideration on July 6, 1992.) (The members of the Finance Committee reviewed the Final Environmental Impact Report [89.122E] on Earthquake Hazard Reduction in Unreinforced Masonry Buildings: Program Alternatives, and considered the findings made by the City Services Committee [File No. 114-92-4.1].)

3. File 115-92-8. [Unreinforced Masonry Building Seismic Retrofit] Ordinance amending the Planning Code by amending Section 181 to permit nonconforming uses to continue following required seismic retrofitting of unreinforced masonry buildings; by amending Section 188 to permit a noncomplying structure to exist following required retrofit of unreinforced masonry buildings and to permit minor modifications to Planning Code requirements in certain circumstances; by amending Section 1005 to provide a limited exemption for required retrofit activities of unreinforced masonry buildings designated as landmarks or as contributory buildings in historic districts; by amending Section 1111.1 to provide a limited exemption for required seismic retrofit activities of unreinforced masonry buildings designated as significant or contributory building or any category V building in a conservation district; and, adopting findings pursuant to Section 101.1. (Supervisors Hsieh, Migden, Alioto, Shelley, Maher, Achtenberg, Kennedy)
(Transferred from City Services Committee 6/9/92 – Fiscal Impact)

ACTION: Amendment of the Whole bearing same title, as presented by Supervisor Hsieh, adopted. Recommended as amended. (To Board as a Committee Report for consideration on July 6, 1992.) (The members of the Finance Committee reviewed the Final Environmental Impact Report [89.122E] on Earthquake Hazard Reduction in Unreinforced Masonry Buildings: Program Alternatives and, considered the findings made by the City Services Committee [File No. 114-92-4.1].)

4. File 97-92-27.2. [Rent Board] Ordinance amending the San Francisco Administrative Code by adding Section 37.8B thereto to establish expedited hearing and appeal procedures for capital improvements which result from seismic work on unreinforced masonry buildings pursuant to Building Code Chapters 14 and 15, by amending Section 37.2 to provide that dwelling units which have undergone seismic strengthening in accordance with Building Code Sections 14 and 15 shall remain subject to the Rent Ordinance, with exception, and by amending Section 37.3 to limit certain capital improvement passthroughs to 10% per year over the base rent, subject to the adoption of Rent Board rules regarding landlord hardship. (Supervisors Migden, Hsieh, Achtenberg)
(Transferred from City Services Committee 6/22/92 - Fiscal Impact)

ACTION: Amendment of the Whole, as presented by Supervisor Migden, adopted. New title: "Amending the San Francisco Administrative Code by adding Section 37.8B thereto to establish expedited hearing and appeal procedures for capital improvements which result from seismic work on unreinforced masonry buildings pursuant to Building Code Chapters 14 and 15 where landlords performed the work with a UMB bond loan, by amending Section 37.2 to provide that dwelling units which have undergone seismic strengthening in accordance with Building Code Chapters 14 and 15 shall remain subject to the Rent Ordinance, with exception, by amending Section 37.3 to limit certain capital improvement passthroughs to 10 percent per year over the base rent, subject to the adoption of Rent Board rules regarding landlord hardship, and by amending Section 37.9 to require landlords who demolish their buildings pursuant to the Building Code Chapters 14 and 15 to pay relocation expenses for their tenants." Recommended as amended. Add Supervisor Gonzalez as a co-sponsor. (To Board as a Committee Report for consideration on July 6, 1992.)

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

9/2/93
Louder

July 2, 1992

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: July 6, 1992 Special Finance Committee Meeting

Item 1 - File 60-92-4

Item: Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, November 3, 1992, for the purpose of submitting to the voters of the City and County propositions to incur the following bonded debts of the City and County for the acquisition, construction or completion by the City and County of the following municipal improvements:

To provide loans for the seismic strengthening of unreinforced masonry buildings for affordable housing, market-rate residential, commercial, and institutional purposes and establishing certain terms and conditions in connection with said loans: \$350,000,000

For construction and reconstruction of correctional facilities to replace the existing San Bruno jail facilities: \$158,100,000

For construction and reconstruction of Fire Department facilities: \$40,800,000

Further, the proposed ordinance:

States that the estimated cost of the above municipal improvements is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require expenditures greater than the amount allowed by the annual tax levy;

Recites the estimated cost of such municipal improvements;

Fixes the date of the election for November 3, 1992, the manner of holding such election, and the procedure for voting for or against the propositions;

Fixes the maximum rate of interest of not more than 12 percent on said bonds and provides for the levy and collection of taxes to pay both principal and interest for these General Obligation bonds;

Prescribes notice to be given of the election, consolidates the proposed special election with the general November, 1992 election, and provides that the election precincts, voting places and officers for election shall be the same as for the general election.

Description:

The Board of Supervisors approved resolutions in June 1992 which determined the public convenience and necessity of three General Obligation Bond measures identified above. The total amount of the three proposed bond measures is \$548.9 million.

The proposed ordinance would authorize the placement of the three proposed bond measures on the November 3, 1992 ballot.

Comments:

1. The proposed ordinance specifies that, if approved by the voters, the bonds shall not bear an interest rate greater than 12 percent.
2. The City Attorney's Office advises that, according to State law, the proposed ordinance must be adopted by a two-thirds majority of the Board of Supervisors.
3. San Francisco voters must approve the proposed bond measures by a two-thirds majority in order to authorize the issuance of the General Obligation Bonds.

Recommendation:

Based on previous actions of the Board of Supervisors, approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 2 - File 114-92-4

Note: This item has been transferred from the City Services Committee because it has been determined to have a fiscal impact.

Department: Public Works, Bureau of Building Inspection

Item: Ordinance amending Part II, Chapter 1, of the San Francisco Municipal Code (Building Code) by adding Chapters 14 and 15 and revising Chapters 2, 3, and 23 thereto relating to earthquake hazard reduction in unreinforced masonry bearing wall buildings.

Description: The proposed ordinance would add two new sections to the San Francisco Municipal Code (Building Code) and amend others, all relating to mitigating the hazards of unreinforced masonry buildings as they may be affected by earthquakes.

The following definitions apply to the proposed ordinance:

An Unreinforced Masonry (URM) Wall is a masonry wall in which the area of reinforcing steel in each direction is less than 25 percent of the minimum steel ratios required by the Building Code for reinforced masonry;

An Unreinforced Masonry Bearing Wall is a URM wall which provides the vertical support for a floor or roof for which the total superimposed load exceeds 200 pounds per linear foot of wall;

An Unreinforced Masonry Building (UMB) is a building having at least one unreinforced masonry bearing wall.

According to the proposed ordinance, the purpose of this legislation is to promote public safety and welfare by reducing the risk of injury and damage to property that may result from the effects of earthquakes on existing unreinforced masonry bearing wall buildings.

The proposed ordinance contains findings that would be adopted by the Board of Supervisors concerning the earthquake threat to San Francisco, the probable effects of such an earthquake on UMBs, the resulting threats to human life and the economy, and other pertinent information, including the following:

1. Eight people lost their lives to falling masonry in the Bay Area during the 1989 Loma Prieta earthquake. An inventory of UMBs prepared by the Bureau of Building Inspection lists approximately 2,000 buildings.
2. 1,171 UMBs house commercial or industrial uses. Over 44,000 jobs are housed in UMBs, comprising about 7.5% of total San Francisco jobs. Many UMBs are places of assembly including schools, houses of worship, theaters, clubs and fraternal societies. The general distribution of UMBs in San Francisco is shown in Attachment I of this report. Approximately 800 UMBs have predominantly residential occupancy, containing 21,755 dwelling units. Eighty-five percent of those units are found in Chinatown, Downtown, North and South of Market and in the Bush Street Corridor. Approximately 27,000 people live in these units including 40% in single-room-occupancy hotels.
3. The study "Seismic Retrofitting Alternatives for San Francisco's Unreinforced Masonry Buildings: Estimates of Construction Cost & Seismic Damage", by Rutherford & Chekene, analyzed three alternative upgrade retrofit levels and the damage prevention effects of each, postulated on an earthquake caused by the Hayward Fault of 7.0 magnitude at 3 p.m. The lowest level of retrofit, if applied to all UMBs, would cut by one-half the expected deaths and injuries and by over one-third the expected property damage. The intermediate retrofit level would result in about one-sixth the deaths and injuries and less than one-half the damages. The most stringent retrofit alternative would result in about one-eighth the deaths and injuries and one-third the damages.
4. Compliance with the proposed amendments to the UMB Ordinance would, in some cases, be a hardship to owners and occupants. It is necessary to balance these potential hardships with the benefits of retrofit and to offer financing assistance as available, education and training, avenues of appeal, and waiving of otherwise-triggered code compliance requirements. To avoid unnecessary hardships due to a shortage of relocation housing, financing, or lack of qualified design or construction workers, the timeline for compliance shall not be unreasonably short. To minimize public risk, however, all UMBs should be retrofitted in as short a time period as feasible.

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Chapter 14, titled "Earthquake Hazard Reduction in Unreinforced Masonry Bearing Wall Buildings," covers the scope of the proposed UMB Program, general compliance requirements, and the administration of the Program. The proposed new Chapter 15, titled "Seismic Strengthening Provisions for Unreinforced Masonry Bearing Wall Building," contains the technical requirements for seismic strengthening of unreinforced masonry bearing wall buildings.

The major general provisions of the proposed UMB Program are as follows:

- a. Residential unreinforced masonry buildings containing less than five dwelling units or guest rooms and used solely for residential purposes would be exempted from the UMB Program.
- b. The Superintendent of the Bureau of Building Inspection would be required to issue an order to the owner of each building within the scope of the UMB Program to initiate UMB retrofit actions. The order would contain a copy of the proposed Chapters 14 and 15 of the Building Code, a commentary on these chapters, a sample inventory form and an engineering report summary form. The owner or the owner's agent may appeal the Superintendent's order to the Board of Examiners.
- c. The owners of UMBs in receipt of the Superintendent's order would be required to have a structural analysis of the UMB performed. If the building does not meet the minimum standards specified in the Building Code, except as provided for in the proposed UMB Program, the owner must have the building structurally altered to conform to such standards or have the building demolished.
- d. The results of the structural analysis, complemented by an inventory form, a risk assessment, and an engineering report that details applicable retrofit requirements, all within specified time limits that are dependent on the UMB's assigned level of risk, would be submitted to the Bureau of Building Inspection. If the \$350 million bond proposal, which is currently before the Finance Committee for placement on the ballot for a special election to be held in the City on November 3, 1992 (Item 1, File 60-92-4, of the July 6, 1992, Special Finance Committee Meeting), is not approved by the City's electorate, owners of UMBs would not be required to have the seismic strengthening work performed. If the bond measure is approved, all seismic upgrading would be required to be completed within 13

years of passage of the \$350 million General Obligation bond proposal.

- e. This proposed legislation does not require alteration of existing electrical, plumbing, mechanical, fire protection or life-safety systems that are in compliance with the respective codes in effect at the time of their original legally permitted construction or installation.
- f. Section 1509(b), which would be a part of the newly created Chapter 15 of the San Francisco Building Code, describes the minimum standards to be applied to UMB structures. Buildings with sufficient mortar strength and crosswalls may upgrade to a "Bolts Plus"¹ level if other described weaknesses are addressed. Assembly, educational and institutional buildings, those with rigid floor systems, those over six stories tall (Building Code occupancy classifications A, E and I), and those with remaining deficiencies, must upgrade to Uniform Code for Building Conservation (UCBC) standards.² Retrofit beyond the level described in Section 104(f) of the existing San Francisco Building Code will not be required.

Comments:

1. The Rutherford & Chekene report, previously cited, defines 15 building prototypes, for purposes of assigning the approximately 2,000 UMBs to categories to facilitate various cost and other analyses. Attachment II to this report shows a listing of the 15 prototypes, along with the number of UMBs in each category, the percent of all UMBs in each category, and a category description. Attachment III depicts the 15 UMB prototype characteristics and type of occupancy.

2. Attachment IV to this report, contained in a February, 1990 report from the Chief Administrative Officer's (CAO's) Office, shows UMB alternative retrofit project costs by prototype. Mr. David Prowler of the CAO's Office reports that the Task Force on Unreinforced Masonry Buildings, which has been meeting regularly for the past five years to develop a seismic retrofit program for UMBs, currently estimates

¹ The "Bolts Plus" retrofit level requires anchoring walls to floors and roofs plus measures to strengthen walls.

² The UCBC retrofit alternative requires supplementing the Bolts Plus alternative by strengthening other building elements including floors, roofs, and walls. In some cases, new reinforced masonry or concrete walls, or shotcrete (sprayed concrete) over existing walls may be needed.

that the total cost for the UMB proposed program would be approximately \$450 million.

3. The firm of Recht, Hausrath & Associates, Urban Economists, prepared a report for the Department of City Planning in October of 1990 titled "Seismic Retrofitting Alternatives for San Francisco's Unreinforced Masonry Buildings: Socioeconomic and Land Use Implications of Alternative Requirements." That report covers the following topics related to UMBs:

Characteristics of UMBs and Occupants
Alternative Seismic Retrofitting Requirements and Costs
Significance of Retrofitting Costs to Building Owners Use and Socioeconomic Impacts
Construction Period Implications
Institutional UMBs: Characteristics and Issues for Retrofitting

The Recht Hausrath & Associates report identifies a number of pertinent issues concerning the effects of a UMB program, including the following:

- a. Short-term property tax revenue implications of lower UMB values due to retrofitting requirements. Once retrofitting requirements are adopted, the market value of UMBs would be lowered to account for costs of the required work. UMB owners, in some instances, may request reassessment. (However, once the work is completed, the market value would be restored.)
- b. Property tax revenue implications for building outcomes affected by retrofitting. Assessed values and related tax revenues could occur once the retrofitting work was completed or once new construction, conversion, or demolition occurred as an alternative to retrofitting. Property tax revenues could be affected as a result of the different building outcomes (demolition, converted uses, etc.) expected because of retrofitting requirements.
- c. Long-term revenue implications of effects of retrofitting on the supply of space. For real estate markets where higher rents would be expected over the longer term as a result of effects of retrofitting on the supply of space, market values

for affected properties would be higher as well. As such properties were sold over time, they would be reassessed at higher values than if they were sold at lower market values. As this occurs, property taxes would be higher as well.

- d. Hardships for Building Occupants. The potential types of disruption include the following:
 - (1) Complete relocation from the building for the duration of the retrofitting project;
 - (2) Limited use of space within the building while the work proceeds;
 - (3) Inconvenience and complications from living or working with noise, debris, drafts, and dust;
 - (4) Temporary interruption of utility mains resulting in loss of power;
 - (5) Conflicts with construction related traffic and materials storage;
 - (6) Security problems.
 - e. Hardships for Businesses. Revenues could be reduced and/or additional costs, such as moving costs, incurred.
 - f. Construction Period Economic Benefits. The economic benefits of a seismic retrofitting program include business for building contractors, increased jobs and payroll for construction workers, and spending for the materials needed to complete the retrofitting work. To the extent that relocation is required, there would be other benefits in terms of business for moving, storage, and equipment rental companies and income to landlords of the newly rented space. Attachment V to this report contains estimates of the magnitude of construction labor, construction payroll, and spending for materials associated with the alternative retrofitting programs.
4. In addition to the foregoing potential economic impacts, the City could benefit financially to a

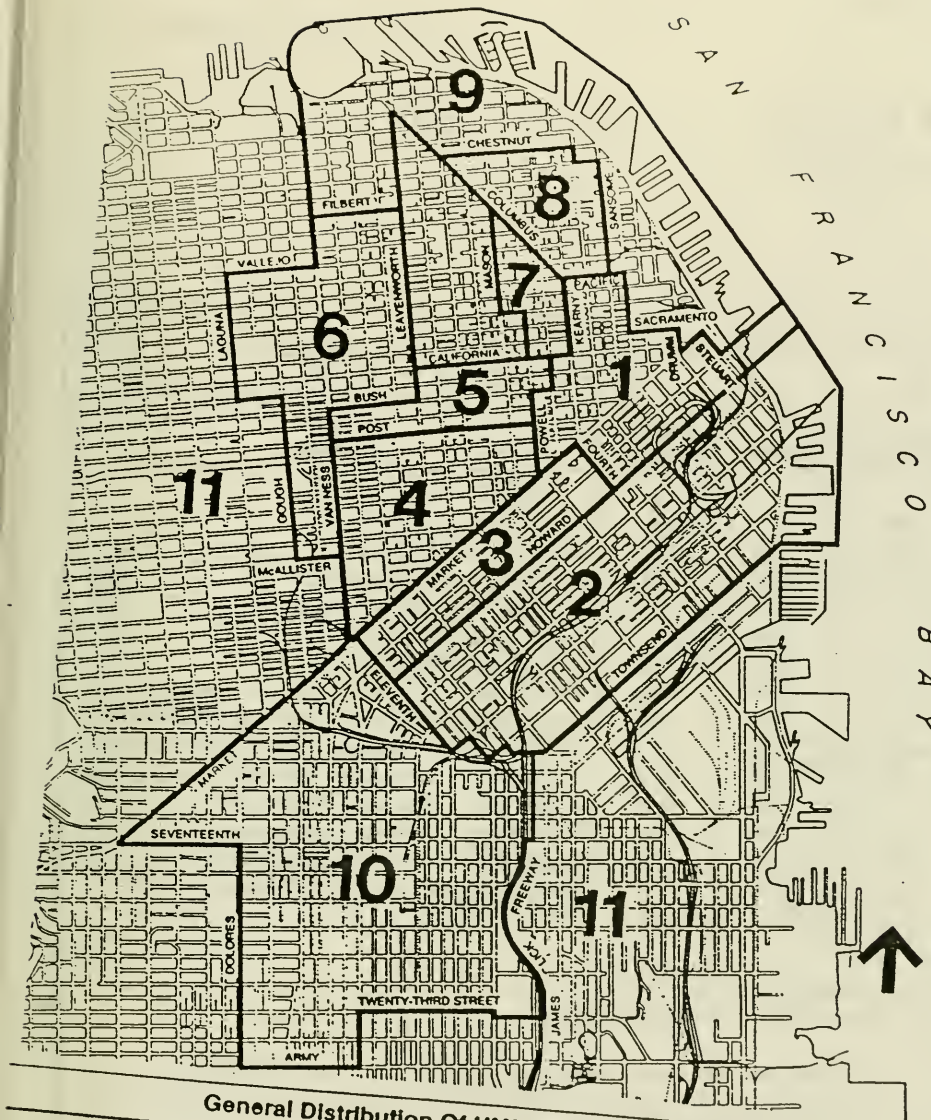
significant degree from the proposed UMB Retrofit Program in the following aspects:

- a. Spending would increase in the City to the extent that services, material, and equipment are purchased in the City, including consumer consumption. The economic multiplier effect of such consumption would enhance total spending in the City.
 - b. Such increased spending would increase the City's revenues as a result of higher sales tax receipts and increased payroll and gross receipt taxes.
 - c. Some of the work could possibly take some employable persons off the General Assistance rolls.
5. The costs of administering the proposed UMB Retrofit Program have not as yet been determined. However, most of those costs would be incurred by the Bureau of Building Inspection, a special fund Department financed by fee revenues obtained through its operations. Additionally, the administrative costs of administering the Seismic Strengthening Bond Program, approved by the Finance Committee at its meeting of June 10, 1992, are estimated to be \$24,250,000 over the 27-year life of the Bond Program. As previously stated, implementation of the Seismic Strengthening Bond Program is a prerequisite to implementing this proposed Seismic Strengthening Program.
6. The proposed Seismic Strengthening Program would also have a fiscal impact should property owners elect to demolish structures or construct new buildings in lieu of seismically strengthening existing UMBs, in that those alternatives would affect assessed property values and related tax revenues.
7. According to Mr. Lawrence Kornfield of the Bureau of Building Inspection, even after meeting all the requirements of the proposed UMB Program, an occurrence of a significant earthquake could result in many buildings becoming unusable and requiring demolition because the focus of the proposed UMB Retrofit Program is to preserve life and prevent catastrophic collapse of buildings, not to maintain the structural integrity of the buildings.

8. On June 9, 1992, the City Services Committee recommended approval of the proposed ordinance.

Recommendation:

The decision of whether to implement a UMB Retrofit Program relating to earthquake hazard reduction in unreinforced masonry bearing wall buildings is a policy decision for the Board of Supervisors.



General Distribution Of UMBs In San Francisco

- | | |
|---|--------------------------------------|
| 1 Downtown (343 UMBs) | 6 Van Ness / Polk (99 UMBs) |
| 2 South of Market (194 UMBs) | 7 Chinatown (293 UMBs) |
| 3 South of Market Residential (114 UMBs) | 8 North Beach (50 UMBs) |
| 4 North of Market / Civic Center (312 UMBs) | 9 Waterfront (36 UMBs) |
| 5 Bush Street Corridor (196 UMBs) | 10 Mission / Upper Market (136 UMBs) |
| | 11 Outlying (224 UMBs) |

UMB Study

Figure 1

II. Characteristics of UMBs and Occupants

TABLE 1
NUMBER OF UNREINFORCED MASONRY BUILDINGS
BY STRUCTURAL PROTOTYPE

Prototype	No. of UMBs	Percent of UMBs	Description
A	136	7%	Small Area, One-Story
B	169	9%	Large Area, One-Story
C	138	7%	Irregular Shape, Residential
D	97	5%	Irregular Shape, Non-Residential
E	89	4%	Small Area, Industrial
F	143	7%	Large Area, Industrial
G	236	12%	Small Area, 2 & 3 Story, Office & Commercial
H	176	9%	Large Area, 2 & 3 Story, Office & Commercial
I	70	3%	Small Area, Over 3 Story, Office & Commercial
J	83	4%	Large Area, Over 3 Story, Office & Commercial
K	162	8%	Small Area, 2 & 3 Story, Residential
L	147	7%	Large Area, 2 & 3 Story, Residential
M	139	7%	Small Area, Over 3 Story, Residential
N	162	8%	Large Area, Over 3 Story, Residential
O	<u>60</u>	<u>3%</u>	Public Assembly
	2,007	100%	

NOTE: See Figure 2 for sketches representative of each prototype.

The building use classifications indicated for the prototypes do not necessarily correspond with the more detailed use classifications developed for other aspects of the analysis.

SOURCE: Rutherford & Chekene

II. Characteristics of UMBs and Occupants

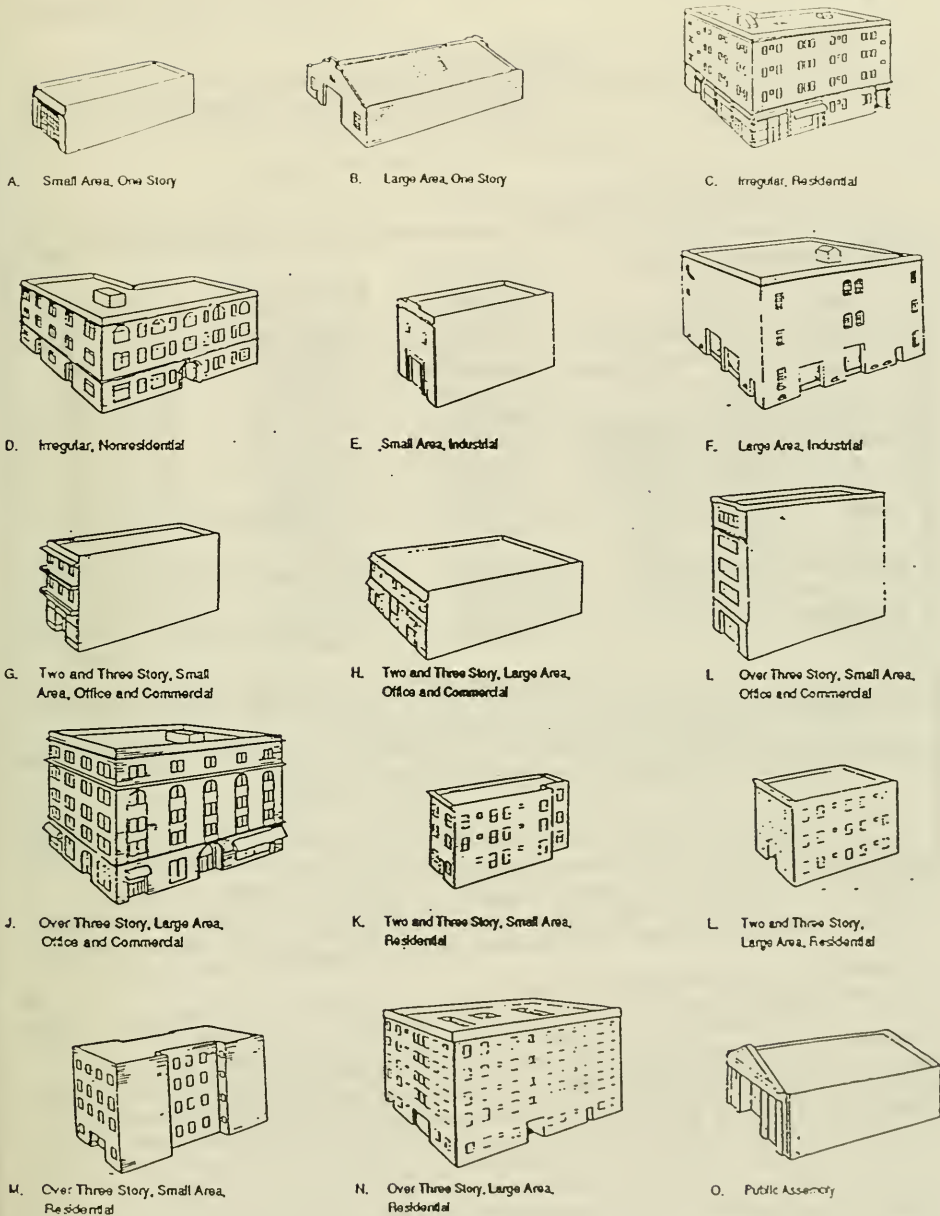


Figure 2: The 15 Selected Prototypes

Summary of Preliminary Findings to Date - UMB Studies
February 27, 1990

(PRELIMINARY DRAFT) TABLE 7
UMB ALTERNATIVE RETROFIT PROJECT COSTS FOR ALL BUILDINGS, BY PROTOTYPE
FOR VACANT BUILDINGS

All costs in December 1989 dollars

This table presents estimated costs by building prototype
for retrofitting and restoring a moderate level of finish to vacant UMBs.

Prototype/Description*	Alternative C	Alternative D	Alternative E
A - small, 1 story	\$ 3,251,000 . . .	\$ 3,539,000 . . .	\$ 4,675,000
B - large, 1 story	9,960,000 . . .	14,023,000 . . .	16,571,000
C - irreg., Resid.	18,458,000 . . .	29,958,000 . . .	50,248,000
D - irreg., Non-Resid.	18,219,000 . . .	25,500,000 . . .	47,055,000
E - small, Indust.	6,216,000 . . .	7,357,000 . . .	10,299,000
F - large, Indust.	23,429,000 . . .	42,128,000 . . .	52,757,000
G - sm., 2-3 story, Off/Comm . . .	16,380,000 . . .	18,176,000 . . .	24,537,000
H - lg., 2-3 story, Off/Comm . . .	21,231,000 . . .	31,483,000 . . .	42,768,000
I - sm., 4+ story, Off/Comm . . .	7,666,000 . . .	12,850,000 . . .	18,754,000
J - lg., 4+ story, Off/Comm . . .	17,130,000 . . .	32,208,000 . . .	53,928,000
K - sm., 2-3 story, Resid. . . .	8,252,000 . . .	9,056,000 . . .	12,973,000
L - lg., 2-3 story, Resid. . . .	13,291,000 . . .	17,022,000 . . .	24,309,000
M - sm., 4+ story, Resid. . . .	11,660,000 . . .	28,179,000 . . .	33,483,000
N - lg., 4+ story, Resid. . . .	24,173,000 . . .	55,319,000 . . .	94,293,000
O - assembly	9,333,000 . . .	12,828,000 . . .	18,479,000

TOTALS\$208,649,000....\$339,626,000.....505,129,000.

WITH OCCUPANTS IN PLACE... \$274-294 Million \$433-467 Million \$646-696 Million

* Refer to Table 5 for more prototype description details.

Table 7 indicates that the total cost to retrofit all UMBs to retrofit Alternative D is about 1.6 times as costly as Alternative C, and Alternative E is about 2.4 times as costly as C and about 1.5 times as costly as D. Among prototypes and for any one building these cost differentials vary widely.

Because of the many mixed use buildings distributed among prototypes, none of the prototypes is purely residential vs. commercial vs. industrial. Therefore, an estimate of the total program cost by use can only be approximate. With that limitation in mind, it is estimated that retrofit costs with building occupants in place--exclusive of premiums for historic buildings, indirect costs, and excluded costs discussed previously--would be as presented in Table 8, next page.

Economic Benefits of Construction

Table 37 presents estimates of the magnitude of construction labor, construction payroll, and spending for materials associated with the alternative retrofitting programs.*

<p style="text-align: center;">TABLE 37</p> <p style="text-align: center;">CONSTRUCTION JOBS, PAYROLL AND SPENDING FOR MATERIALS ASSOCIATED WITH RETROFITTING ALTERNATIVES</p>			
	Alternative 1	Alternative 2	Alternative 3
Construction Jobs (person-years)	1,500	2,200	2,400
Total Construction Payroll (1989 \$)	\$73,129,000	\$99,776,000	\$138,776,000
Spending for Materials (1989 \$)	\$33,310,000	\$78,422,000	\$128,611,000
<p>NOTE: The estimates in the table account only for the construction work to complete basic seismic retrofitting. They do not account for premiums for architecturally or historically significant buildings. Work on those more complicated buildings would generate more jobs, payroll and spending for materials. The estimates also do not account for other employment and payroll that would be associated with a seismic retrofitting program. There would be work for engineers, architects, other consultants, and construction project managers, as well as for program administrators and inspectors.</p>			
<p>SOURCE: Recht Hausrath & Associates, based on information provided by Rutherford & Chekene</p>			

* The estimates of total construction jobs and materials spending were calculated using the conceptual unit-labor and unit-cost factors developed by Don Todd Associates, Inc. (presented in Appendix 3 to the R&C report, 1990). Those unit-cost and unit-labor factors were applied by prototype and by alternative using the "unit-per-square-foot" and "percent-of-buildings-affected" factors from the cost matrices in Section 4: *Cost Summary and Report* of the R&C report. To estimate construction payroll, the share to general conditions, overhead and profit, bond and insurance allowance and contingency allowance was subtracted from that number, and the residual (total dollars to labor) was further adjusted to account for the 25% sub-contractor's mark-up included in the labor-cost-per-unit factors.

Item 3 - File 115-92-8

Note: This item has been transferred from the City Services Committee because it has been determined to have a fiscal impact.

Item: The proposed ordinance would amend Part II, Chapter II, of the San Francisco Municipal Code (Planning Code) by amending Section 181 to permit nonconforming uses to continue following required seismic retrofitting of unreinforced masonry buildings; by amending Section 188 to permit a noncomplying structure to exist following required retrofit of unreinforced masonry buildings and to permit minor modifications to Planning Code requirements in certain circumstances; by amending Section 1005 to provide a limited exemption for required retrofit activities of unreinforced masonry buildings designated as landmarks or as contributory buildings in historic districts; by amending Section 1111.1 to provide a limited exemption for required seismic retrofit activities of unreinforced masonry buildings designated as significant or contributory buildings or any category V building in a conservation district; and adopting findings pursuant to Section 101.1.

Description: The proposed legislation attests to the consistency of the proposed Planning Code amendments with the eight priority policies of Section 101.1 of the Planning Code.

The proposed amendments to the Planning Code are all designed to facilitate seismic retrofitting of unreinforced masonry buildings (UMBs) in as much as those UMBs are regulated by the provisions of the Planning Code concerning the following uses, issues, or conditions:

- a. Nonconforming Uses
- b. Noncomplying Structure
- c. Demolition Guidelines
- d. Landmarks and Contributory Buildings in Historic Districts
- e. Buildings designated as significant or contributory, or any Category V Building in a Conservation District

As defined in the Planning Code, a "nonconforming use" is a use which existed lawfully at the effective date of the Planning Code, or of amendments thereto, or a live/work unit which existed on the effective date of Ordinance No. 412-88 (effective October 10, 1988) (other than a live/work unit wholly or partly occupying space whose legal occupancy under the Building Code was then limited to a residential occupancy) and which fails to conform to one or more of the use

limitations under Articles 2, 6, 7 and 8 of the Planning Code that then became applicable for the district in which the property is located.

As defined in the Planning Code, a "noncomplying structure" is a structure which existed lawfully at the effective date of the Planning Code, or of amendments thereto, and which fails to comply with one or more of the regulations for structures, including requirements for off-street parking and loading, under Articles 1.2, 1.5, 2.5, 6, 7 and 8 of the Planning Code, that then became applicable to the property on which the structure is located.

According to Mr. Alec Bash of the Department of City Planning, an example of nonconforming use would be a corner grocery market in a residentially zoned district that was permissible when built but would not be permissible in that district under current zoning regulations. Mr. Bash states further that an example of a noncomplying structure would be a residentially zoned lot containing a residential building that has 100 percent lot coverage and thus does not comply with the current Planning Code standards for yards and for open space.

Section 181 of the Planning Code regulates enlargement, alterations and reconstruction of nonconforming uses and any structure occupied by such use. In general, a nonconforming use is not to be enlarged, intensified, extended or moved to another location, with certain exceptions, unless the nonconforming use is eliminated.

With certain exceptions, a structure occupied by a nonconforming use is not to be constructed, reconstructed or altered, unless the result will be elimination of the nonconforming use.

The proposed ordinance would provide that a structure containing a nonconforming use and constructed of unreinforced masonry that is inconsistent with the requirements of the UMB Seismic Retrofit Ordinance (see Item 2, File 114-92-4, of the Special Finance Committee meeting of July 6, 1992) may be demolished and reconstructed with the same nonconforming use or other nonconforming use permitted by Section 182 of the Planning Code, provided that there is no increase in any nonconformity, or any new nonconformity, with respect to the use limitations of the Planning Code.

Section 188 of the Planning Code regulates enlargements, alterations, and reconstruction of noncomplying structures. In general, a noncomplying structure may be enlarged, altered or relocated, or undergo an intensification of use, provided that with respect to the structure there is no increase in any discrepancy between existing conditions on the lot and the required standards for new construction set forth in the Planning Code.

The proposed ordinance would provide that a noncomplying structure constructed of unreinforced masonry that is inconsistent with the requirements of the UMB Seismic Retrofit Ordinance (See Item 2, File 114-92-4, of the Special Finance Committee meeting of July 6, 1992) may be demolished and reconstructed to the same level of noncompliance, provided that (1) the current requirements of the Building, Housing, Fire, and Planning Codes are met, and (2) such reconstruction is initiated within one year after razing or other demolition work on the structure and such reconstruction is diligently pursued to completion.

Regarding the Planning Code reference in (1) above, the proposed amendments would authorize the Zoning Administrator to permit minor modifications to Planning Code requirements to the extent necessary and required to bring the replacement building up to such applicable Code requirements and to allow the replacement building to contain a comparable square footage or the same number of residential units as the demolished building. The Zoning Administrator would be required to provide a written determination regarding such permitted Planning Code modifications.

The proposed ordinance would also amend Section 1005, Conformity and Permits. Section 1005 is contained in Article 10 of the Planning Code, which is concerned with and titled "Preservation of Historical, Architectural, and Aesthetic Landmarks."

The proposed amendment to Section 1005 would provide that in addition to other instances when the Department of City Planning is obligated to process a building permit application without further reference to the provisions of Article 10, when the application is for a permit to comply with the UMB Seismic Retrofit Ordinance and the Zoning Administrator determines that the proposed work complies with the UMB Retrofit Architectural Design Guidelines, which guidelines shall be adopted by the Planning Commission, no further reference to the provisions of Article 10 will be made.

BOARD OF SUPERVISORS
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The proposed ordinance would also amend Section 1111.1, Determination of Major Alteration. Section 1111.1 is contained in Article 11 of the Planning Code, which is concerned with and titled "Preservation of Buildings and Districts of Architectural, Historic, and Aesthetic Importance in C-3 Districts."

The proposed amendment to Section 1111.1 would provide that if the sole purpose of an alteration is to comply with the UMB Seismic Ordinance and the Zoning Administrator determines that the proposed work complies with the UMB Retrofit Architectural Design Guidelines, the alteration will be considered minor.

Comments:

1. The proposed ordinance would have a fiscal impact on assessed property values and related tax revenues if the seismic strengthening requirements caused certain property owners to select new construction or demolition as an alternative to seismically retrofitting their buildings.

2. On June 9, 1992, the City Services Committee recommended approval of the proposed ordinance.

Recommendation:

Approval of the proposed ordinance would be consistent with the Board of Supervisors enacting legislation relating to earthquake hazard reduction in unreinforced masonry bearing wall buildings (see Item 2, File 114-92-4, of the Finance Committee calendar of July 6, 1992).

Approval of the proposed legislation to allow nonconforming uses to continue and noncomplying structures to exist following required retrofit of unreinforced masonry buildings is a policy matter for the Board of Supervisors.

Item 4 - File 97-92-27.2

Note: This item has been transferred from the City Services Committee because it has been determined to have fiscal impact.

Item: Ordinance amending the San Francisco Administrative Code by adding Section 37.8B thereto, to establish expedited hearing and appeal procedures for capital improvements resulting from seismic work on unreinforced masonry buildings pursuant to Building Code Chapters 14 and 15, by amending Section 37.2 to provide that dwelling units which have undergone seismic strengthening in accordance with Building Code Sections 14 and 15 shall remain subject to the Rent Ordinance, except when the Rent Ordinance conflicts with the seismic strengthening bond program, the program's loan agreements, or any related regulations, and by amending Section 37.3 to limit capital improvement passthroughs to ten percent per year, subject to the adoption of Rent Board rules regarding landlord hardship.

Description: The proposed ordinance would add Section 37.8B to the San Francisco Administrative Code, which would contain the procedures for all hearings concerning certification of capital improvements resulting from seismic strengthening of unreinforced masonry buildings (UMBs) pursuant to Building Code Chapters 14 and 15. Section 37.8B would specify the following requirements for certification of such capital improvements: (1) landlords must complete the above-mentioned capital improvements in compliance with Building Code Chapters 14 and 15; (2) landlords must not have increased the rent(s) to reflect the cost of such capital improvements; and (3) landlords must not have been compensated for the capital improvement work by insurance proceeds.

Section 37.8B also would provide that costs of such capital improvements shall be equally allocated to each unit and amortized over a ten year period or the life of any loan acquired for the capital improvements, whichever is longer. Furthermore, Section 37.8B would provide that interest shall be limited to the actual interest rate charged on the loan, with a maximum interest rate of ten percent permitted per year.

Section 37.8B would restrict the certification of capital improvement costs to those items required to be in compliance with Building Code Chapters 14 and 15 and limit the cost of these items to the costs set forth in a publication of

- (2) Evidence presented at the hearing establishing the extent and the cost of the work performed;
- (3) The "bolts plus" cost range publication, which is to be produced by the City agency designated to administer the seismic strengthening bond loan program;
- (4) Tenant objections that the work has not been completed; and
- (5) Any other relevant factors as the Rent Board shall specify in rules and regulations.

Furthermore, Section 37.8B would provide that the hearing officer make no determination as to the tenants' correct base rents during this expedited hearing. Section 37.8B would require that the hearing officer make written findings of fact, copies of which would be mailed within twenty-one days of the hearing. The hearing officer's decision would be final unless the Rent Board vacated it on appeal.

Section 37.8B would permit either party to appeal the hearing officer's decisions in writing, in accordance with Section 37.8(f)(1), (f)(2) and (f)(3), within 15 calendar days of the mailing of the findings of fact in most instances. Once the appeal would be received, the entire administrative record of the matter would be filed with the Rent Board. The Rent Board would, at its discretion, hear appeals, considering factors such as fairness to the parties, hardship to either party, the policies contained in Chapter 37 of the Administrative Code, and the comments of the hearing officer. The Rent Board would decide whether or not to accept an appeal within 21 days.

The appeal procedures of Sections 37.8(f)(5), (f)(6), (f)(7), (f)(8) and (f)(9) would apply, with the only exception being that the Rent Board's decision would be rendered within 20 days of the hearing. These clauses specify that appeals accepted by the Rent Board shall be heard within 45 days of the filing of the appeal, that the appellant and respondent shall be able to present oral testimony and written documentation, that the parties shall be notified of the Rent Board's decision by mail, and that appeal decisions are effective on the date mailed to parties.

Lastly, Section 37.8B would provide that rent increases which the Rent Board approved on appeal would not be imposed by landlords without at least sixty days notice to the tenants.

The proposed amendment of Section 37.2 would provide that units in UMBs that have undergone seismic strengthening in accordance with Building Code Chapters 14 and 15 would remain subject to the Rent Ordinance to the extent that the Ordinance is not in conflict with the seismic strengthening bond program or with the program's loan agreements or with any related regulations.

The proposed amendment of Section 37.3 would provide that a landlord's rent increase in any 12-month period, based upon the cost of capital improvements, rehabilitation or energy conservation measures, cannot exceed ten percent of the tenant's base rent, subject to rules adopted by the Rent Board to prevent landlord hardship. Furthermore, the proposed amendment would allow a landlord to accumulate any certified increase which exceeds the 10 percent amount and impose the increase in subsequent years.

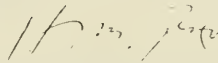
Comments:

1. The sponsor of this proposed legislation reports that as of the writing of this report, the City Attorney is preparing an amendment of the whole that will be introduced at the Special Finance Committee meeting of July 6, 1992. According to the sponsor, the amendment of the whole will provide that UMB owners who do not obtain construction financing under the provisions of the UMB Bond Program would not be able to participate in the expedited hearing processes established in this proposed ordinance.

2. Mr. Joe Grubb, Executive Director of the Rent Board, reports that the proposed ordinance could result in an undetermined but substantial potential increase in the Rent Board's workload, because the Rent Board would be responsible for adjudicating disputes. As a result, the Budget Analyst has determined that the proposed ordinance has a fiscal impact.

3. On June 22, 1992 the City Services Committee recommended approval of the proposed ordinance.

Recommendation: Approval of the proposed legislation to establish expedited hearing and appeal procedures for capital improvements resulting from seismic work on unreinforced masonry buildings, to keep seismically strengthened dwelling units under the Rent Ordinance, with certain exceptions, and to limit capital improvement passthroughs to 10 percent per year, with provisions for landlord hardship, is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

90.25
#1
8/12

CALENDAR

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

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WEDNESDAY, JULY 8, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
- a. File 23-92-6. [Claims Against the Government] Resolution waiving the Statute of Limitations with respect to payment of seven certain warrants of the City and County of San Francisco, in an amount totalling \$12,936.87 legal obligations of the City and County of San Francisco. (Controller)
- b. File 25-92-22. [Contracting Out City Services - Police Department] Resolution concurring with the Controller's certification that janitorial services can be practically performed for San Francisco Police Department facilities by private contractor for lower cost than similar work services performed by City and County employees. (Police Department)
- c. File 25-92-23. [Prop J Contracting] Resolution concurring with the Controller's certification that security services can be practically performed for the Department of Public Health, San Francisco General Hospital by private contractor for a lower cost than similar services performed by City and County employees. (Department of Public Health)
- d. File 101-91-38.2. [Release of Funds] Requesting release of reserved funds, Public Library, in the amount of \$214,380, for Library Management Services salaries and benefits during 1992/93. (Public Library)
- e. File 133-90-1.7. [Release of Funds] Requesting release of reserved funds, Chief Administrative Officer - Solid Waste Management Program, in the amount of \$150,000, for hauling services, for a project entitled "Milkrun/Service for Small Businesses in the City" (H&H Environmental Service Company, contractor). (Chief Administrative Officer)

- f. File 146-91-83.3. [Release of Funds] Requesting release of reserved funds, Department of Public Health/AIDS Office, in the amount of \$33,944, for AIDS/HIV Prevention and Education Services, tuberculosis testing (Urban Health Study, contractor). (Department of Public Health)
- g. File 79-91-2.4. [Release of Funds] Requesting release of reserved funds, Mayor's Office of Economic Planning and Development, 1992 Community Development Block Grant Program, in the amount of \$63,465, for hiring a coordinator for the Enterprise Zone Program. (Mayor's Office of Economic Planning & Development)
- h. File 100-91-1.29. [Release of Funds] Requesting release of reserved funds, Department of Public Health, in the amount of \$750,000, for six month contract evaluation services of the Health Management Systems, Inc. (HMS) installation and implementation of the Electronic Claims Submission System. (Department of Public Health)
- i. File 68-92-8. [Grant - Federal Funds] Resolution authorizing the Mayor of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$35,991 made available through the Office of Criminal Justice Planning for a project entitled "Gang Prevention Program GVSP", and agreeing to provide matching funds in the amount of \$3,599. (Mayor)
- j. File 130-92-3. [Grant - State Funds] Resolution authorizing the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$105,055 made available through the Office of Criminal Justice Planning for a project entitled "Gang Caseload Component of the Intensive Services Unit", and agreeing to provide matching funds in the amount of \$11,673. (Adult Probation Department)
- k. File 130-92-4. [Anti-Drug Abuse Funds] Resolution authorizing the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$188,400 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Adult Probation's Drug Abatement Project". (Adult Probation Department)
- l. File 138-92-2. [Grant - State Funds] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for funds in the amount of \$112,970 made available through the Office of the Attorney General for the operation of a project entitled "Child Victim Witness Investigative Pilot Project", for the twelve month period July 1, 1992 through June 30, 1993. (District Attorney)
- m. File 138-92-3. [Grant - State Funds] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend grant funds in the amount of \$236,141 made available through the California Office of Criminal Justice Planning for the operation of the Career Criminal Program for the twelve month period July 1, 1992 through June 30, 1993 and agreeing to provide cash match in the amount of \$23,614. (District Attorney)

- n. File 138-92-4. [Grant - State Funds] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$330,812 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco District Attorney's Drug Abatement Project", for the twelve month period July 1, 1992 through June 30, 1993. (District Attorney)
- o. File 143-92-2. [Grant - Federal Funds] Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$137,962 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Police Department's Drug Abatement Project". (Police Commission)
- p. File 146-92-41. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to apply for a continuation grant of \$1,794,405, which includes indirect costs in the amount of \$207,155 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the Epidemiologic Study of the natural history of HIV/AIDS in homosexual/bisexual men previously enrolled in studies of Hepatitis B Infection. (Department of Public Health)
- q. File 146-92-43. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a supplemental grant of \$39,501 from the Health Resources and Services Administration to augment the Ryan White Comprehensive AIDS Resources Emergency (Care/Title Formula) Disaster Relief Grant; waiving indirect costs and providing for ratification of action previously taken. (Department of Public Health)
- r. File 146-92-44. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a supplemental grant of \$420,851, which includes indirect costs in the amount of \$45,418, based on twenty percent of salaries, from the Centers for Disease Control to fund the HIV Incidence in Homosexual/Bisexual Males Research Project; providing for ratification of action previously taken. (Department of Public Health)
- s. File 146-92-45. [Comprehensive Tobacco Control Plan and Budget] Resolution authorizing adoption of the 1992-94 Comprehensive Tobacco Control Plan and Budget Supplemental Perinatal Outreach Plan. (Department of Public Health)
- t. File 146-92-46. [Allocation - State Funds] Resolution authorizing the Department of Public Health, Community Public Health, Bureau of Health Promotion and Education, to accept and expend \$2,127,666, which will include indirect costs equal to thirteen percent of personnel costs from the State Department of Health Services, provided that the Department of Public Health expends the funds consistent with the 1992-94 Comprehensive Tobacco Control Plan and Budget, and the Supplemental Perinatal Outreach Plan and Budget; companion measure to File 146-92-45. (Department of Public Health)

- u. File 152-92-2. [Anti-Drug Abuse Funds] Resolution authorizing the Sheriff of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$84,558 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Sheriff's Drug Abatement Project". (Sheriff)
- v. File 146-92-36. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to apply for, accept and expend a grant of \$99,534, from the Health Resources and Services Administration to fund the Field Test of the Uniform Reporting System Project; waiving indirect costs and providing for ratification of action previously taken. (Department of Public Health)
- w. File 146-92-37. [Grant - State Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Family Health Bureau, to apply, accept and expend a grant of \$470,769, which includes indirect costs in the amount \$20,530 based on ten percent of allowable salaries and a required match in the amount of \$318,913, which is sixty seven percent of the total award, from the State Department of Health Services, Maternal Child Health Branch for perinatal outreach services, and to execute a contract with the State for \$470,769 and any amendments thereto which do not increase this amount. (Department of Public Health)
- x. File 146-92-38. [Grant - State Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Family Health Bureau, to accept and expend a grant of \$377,803, which includes indirect costs in the amount of \$7,046 based on ten percent of allowable salaries and a required match in the amount of \$55,971, which is 14.8 percent of the total award, from the State Department of Health Services, Maternal Child Health Branch for perinatal and related services, and to execute a contract with the State for \$377,803 and any amendments thereto which do not increase this amount. (Department of Public Health)
- y. File 148-92-4. [Grant - Federal Funds] Resolution authorizing the Director of Public Works to apply for, accept and expend Federal funds in the amount of \$7,257,000 for pavement renovation of various streets as listed in this resolution. (Department of Public Works)
- z. File 38-92-17.1. [Gift Acceptance] Accepting a gift from Richard Goldman, Warren Hellman, John Rosecrans and Alfred Wilsey of Artistic Painting Services valued at \$24,000 (\$6,000 each) for the decorative painting of temporary plywood surfaces in and adjacent to the main rotunda of San Francisco City Hall, and authorizing the firm of Evans and Brown to perform such work. (Department of Public Works)
- aa. File 141-92-2. [Grant Private Funds] Resolution authorizing the San Francisco Juvenile Probation Department to apply for, accept and expend grant monies from the San Francisco Foundation (\$30,000) and Kaiser Family Foundation (\$25,000) for the development of a multi-disciplinary assessment instrument, classification system and workload study; waiving indirect cost. (Juvenile Probation Department)

ACTION:

REGULAR CALENDAR

2. File 124-92-3.1. [Parking Meter Revenue Allocation] Ordinance amending Traffic Code by amending Section 213, to provide that in Fiscal Year 1992-93 the first \$8.0 million in parking meter revenues will be allocated to the General Fund and revenues in excess of \$8.0 million will be allocated to the Off-Street Parking Fund. (Department of Parking and Traffic)

ACTION:

3. File 96-92-4. [Sale of Surplus Property] Ordinance authorizing the sale of surplus City-owned property to Mission Housing Development Corporation, for development of 50 units of low-income senior housing; and to adopt findings pursuant to Planning Code Section 101.1. (Real Estate Department)

ACTION:

4. File 61-92-5. [Contract Award Extension] Resolution granting extension of time for awarding Municipal Railway Contract No. MR-898, 14 Mission Line Trolley Overhead Reconstruction (Phase A, Persia Avenue to Daly City Loop). (Public Utilities Commission)

ACTION:

5. File 64-92-19. [Lease of Property] Resolution authorizing extension of an existing lease of real property at 1625 Van Ness Avenue for offices for the Department of Social Services' Child Welfare Division. (Real Estate Department)

ACTION:

6. File 64-92-20. [Lease of Property] Resolution authorizing extension of an existing lease of real property at 1182 Market Street for offices for the Commission on the Aging. (Real Estate Department)

ACTION:

7. File 64-92-21. [Extension of Existing Real Property Sublease] Resolution authorizing extension of an existing sublease of real property at 3000 Third Street for Municipal Railway, required for maintenance and storing of Municipal Railway buses. (Real Estate Department)

ACTION:

8. File 64-92-15. [Lease of Property] Resolution authorizing a revocable license at 450 Seventh Street for the Police Department, for parking of police vehicles. (Real Estate Department)

ACTION:

9. File 64-92-16. [Lease of Property] Resolution authorizing extension of lease of real property at 732 Brannan Street for the District Attorney's Office. (Real Estate Department)

ACTION:

10. File 64-92-17. [Lease of Property] Resolution authorizing renewals and extensions of nine certain existing leases of real property required by the Retirement System, Police Department, Department of Public Works, Fire Department, Public Utilities Commission and the Fine Arts Museum. (Real Estate Department)

ACTION:

11. File 64-92-18. [Amendment to Lease of Property] Resolution authorizing amendment lease of real property at 1540 Market Street for Department of Public Health, Emergency Medical Services Agency. (Real Estate Department)

ACTION:

12. File 47-92-1.1. [Award of Auto Detail Area Lease] Resolution confirming award of the auto detail area lease at the Golden Gateway Garage to Five Star Parking. (Real Estate Department)

ACTION:

13. File 61-92-4. [Contracting Award Extension] Resolution granting extension of time for award Hetch Hetchy Contract No. HH-829, O'Shaughnessy Dam Septic System Rehabilitation, Phase II. (Public Utilities Commission)

ACTION:

14. File 64-92-9. [Extension of Existing Real Property Lease] Resolution authorizing extension of an existing lease of real property at 1975-99 Bryant Street for Department of Parking and Traffic, Traffic Engineering Division. (Real Estate Department)

ACTION:

15. File 64-92-10. [Extension of Existing Real Property Lease] Resolution authorizing extension of an existing lease of vacant land at Army and Evans Streets for Department of Public Works, for storage of equipment and recycled road materials. (Real Estate Department)

ACTION:

16. File 64-92-11. [Extension of Existing Real Property Lease] Resolution authorizing extension of an existing real property lease for the Controller's Payroll and Internal Audit Division at 160 South Van Ness Avenue. (Real Estate Department)

ACTION:

17. File 64-92-12. [Extension of Sublease Lease] Resolution authorizing extension of sublease of real property require by the Department of Public Works at 1170 Market Street, 7th Floor for use as offices for the Personnel and Computer Services Division. (Real Estate Department)

ACTION:

18. File 64-92-13. [Extension of Existing Real Property Leases] Resolution authorizing extensions of three certain existing leases of real property for the Department of Social Services. (Real Estate Department)

ACTION:

19. File 64-92-14. [Extension of Existing Real Property Leases] Resolution authorizing extensions of eight certain existing leases of real property for various City departments. (Real Estate Department)

ACTION:

20. File 65-92-9. [Lease Amendment] Ordinance approving Second Amendment to lease between Mission Creek Harbor Association and the City and County operating by and through the San Francisco Port Commission. (Supervisor Maher)

ACTION:

21. File 97-92-39. [Street Closure Fees] Ordinance amending Administrative Code (Temporary Use or Occupancy of Public Streets) by amending Section 2.70-1 thereof, to increase the application fee for temporary use or occupancy of public streets from forty dollars to eighty dollars. (Department of Parking and Traffic)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

**IMPORTANT
HEARING NOTICE**

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 6, 1992

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: July 8, 1992 Finance Committee Meeting

Item 1a - File 23-92-6

Department: Controller's Office

Item: Resolution waiving the statute of limitations with respect to the payment of seven warrants of the City and County of San Francisco in the sum of \$12,936.87.

Description: According to Section 10.181 of the San Francisco Administrative Code, a warrant issued by the City and County of San Francisco becomes void one year from the date issued. The payee of the warrant may present such warrants to the Controller for payment up to three years from the date that it was considered invalid, or four years from the original issue date. After that point, the Controller may no longer issue any warrants because the statute of limitations has expired unless approval is obtained from the Board of Supervisors.

The proposed resolution would waive this statute of limitations and would authorize the Controller's Office to replace the following seven warrants:

<u>Name</u>	<u>Issued</u>	<u>Warrant No.</u>	<u>Amount</u>
Airola & Williams			
Dietrich, Attys	12-20-84	530-0390195	\$3,000.00
Blue Shield of California/ Blue Cross	1-25-85	550-2010081	2,833.01
Fox Industries Sales	8-19-84	550-2302774	796.34
Neyhart, Anderson, Nussbaum, Reilly & Freitas	12-20-84	530-0390381	2,030.00
Pro-Pak, Inc.	10-16-86	530-0528717	975.81
Wilson Sporting Goods Co.	6-14-85	550-2022767	1,825.71
W. Scott De Bie	11-16-84	550-0383424	1,476.00
Total			\$12,936.87

Comments:

1. As reflected above, the requested warrants are between six and eight years old. Ms. Evelyn Alava of the Controller's Office of Special Projects states that all of the above payees were approached by Nelson-Brown Equities, Inc., a private legal firm, to assist the payees in making a claim against the unpaid warrants. Mr. Henry Leigh of the Controller's Office advises that Nelson-Brown Equities, Inc. would collect a fee from the above parties for their services.

2. According to Ms. Alava, all of the payees report that they did not receive their warrants, and have requested that those warrants be reissued.

3. Ms. Alava advises that the Controller's Office automatically cancelled these seven warrants, which had not been cashed one year after the original issue date. The Controller's Office has verified that it has made no payment on these seven warrants, Ms. Alava reports.

4. In December, 1991, the Finance Committee denied a proposed resolution (File 23-91-4) waiving the statute of limitations with respect to payment of certain warrants because the payees had been approached by Nelson-Brown Equities, Inc., who would have collected 50 percent of the warrant amount in fees. In April, 1992, the Finance Committee denied another payment requested by another private legal firm, WJ Jas Assets (File 23-92-3). In May, 1992, the Finance Committee denied another payment requested by the legal firm of Nelson Brown Equities, Inc. (File 23-92-5). Ms. Celeste Bell of the City Attorney's Office reports that Nelson-Brown Equities has filed a lawsuit against the City and that the Superior Court is in the process of deciding whether the City is mandated to pay any expired warrant upon request. As of the writing of this report, the litigation is at the discovery stage, with the Controller's Office providing a

substantial amount of documentation, and a trial date has been set for October 5, 1992.

5. According to Mr. Henry Leigh of the Controller's Office, the City and County of San Francisco have sufficient funds to pay \$12,936.87 to the above payees. Mr. Leigh reports that, when a warrant is automatically cancelled, the funds revert back to the specific account from which it was originally drawn.

6. Based on the Finance Committee's previous denial of legislation noted in Comment 4 above, which is similar to the proposed legislation, the Budget Analyst believes that the proposed resolution should not be approved.

Recommendation: Do not approve the proposed resolution based on the Committee's previous denial of similar legislation.

Item 1b - File 25-92-22

Department: Police Department

Item: Resolution concurring with the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Janitorial Services for all nine District Police stations, the Police Academy, the Pistol Range, and the Golden Gate stables.

Description: The Controller has determined that contracting for these janitorial services in fiscal year 1992-99 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salary	\$257,920	\$311,791
Holiday Pay	58,032	70,153
Night Duty	4,127	4,989
Fringe Benefits	89,654	103,527
Non-Labor Costs	35,000	35,000
DPW Overhead	<u>429,034</u>	<u>506,911</u>
Total	\$873,767	\$1,032,371
 <u>Contracted Service Cost</u>	 <u>377,196</u>	 <u>377,196</u>
 <u>Estimated Savings</u>	 <u>\$496,571</u>	 <u>\$655,175</u>

Comments: 1. In January 1992, in response to warnings from the Public Health Department about poor sanitation conditions at the since vacated Hibernia Bank building, the Board of Supervisors approved an emergency procurement for the Police Department to contract with a firm to provide janitorial services for the Hibernia Bank Building, (Administrative Code Section 21.25). Because of an anticipated desire to contract for private janitorial services for the rest of their facilities in the future, the Police Department took the two contractors who were bidding on the job at the Hibernia Bank Building on a walkthrough of all of the Police Department facilities to obtain an additional contracted service cost estimate. The Contracted Service Cost

BOARD OF SUPERVISORS
BUDGET ANALYST

estimate is an average of the two contractor's bids which were based on the walkthrough of all of the facilities excluding the Hibernia Bank building and the Hall of Justice.

2. According to Tom Strong of the Police Department's Accounting Office, the Police Department has budgeted \$33,796 in their FY 1992-93 budget to pay the Department of Public Works to provide janitorial services during the period of July 1, 1992 to July 31, 1992. This would prevent a lapse in service as the Police Department is still in the process of selecting a private contractor. The Department of Public Works has provided these janitorial services to the Police Department through FY 1992-93.

3. FY 1992-93 would be the first year that the Police Department would fully contract for these janitorial services.

4. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status is attached. Since the Police Department is still in the process of selecting a contractor, the MBE/WBE status is unknown.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) Questionnaire

Department San Francisco Police Department
Contract Services Janitorial Service
Time Period

- 1) Who performed services prior to contracting out?

Department of Public Works Janitorial.

- 2) Number of City employees laid off as a result of contracting out?

None, These employees should easily be absorbed into DPW operations.

- 3) Explain disposition of employees if they were laid off.

These employees can find employment in federal, state and private sectors.

- 4) What percent of City employee's time is spent on services to be contracted out?

100%

- 5) How long have services been contracted out?


These services have been performed by the Department of Public Works.

- 6) What was the first fiscal year for a Proposition J Certification?

It is anticipated to commence by 1992-1993.

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

The competitive bid process will insure compliance.
Present contractor at the Hibernia Bank Police Building is MBE/LBE.


Department Representative MICHAEL J. SULLIVAN
SERGEANT OF POLICE

(Type Name, Title)

557-6720
Telephone

cxlquespj

Item 1c - File 25-92-23

Department: Department of Public Health, San Francisco General Hospital

Item: Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Security Services for Psychiatry-Substance Abuse Services

Description: The Controller has determined that contracting for these security services in fiscal year 1992-93 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operated Service Costs</u>		
Salary	\$6,708	\$8,133
Holiday Pay and Night Duty	1,064	1,294
Fringe Benefits	2,176	2,640
Uniforms	<u>227</u>	<u>227</u>
Total	\$10,175	\$12,294
<u>Contracted Service Cost</u>	<u>5,123</u>	<u>5,123</u>
<u>Estimated Savings</u>	\$5,052	\$7,171

- Comments:**
1. Security Services were first certified as required by Charter Section 8.300-1 in 1983 and have been continuously provided by an outside contractor since then.
 2. Security Services were performed by Cal State Patrol Service during FY 1991-92. Mr. Thomas Mosmiller, Director of Operations at San Francisco General Hospital, reports that the Security Services contract with Cal State Patrol was renewed for FY 1992-93. Cal State Patrol Service is a City certified MBE.
 3. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status is attached.
 4. The estimated Contracted Service Cost for 1992-93 is based on a cost estimate reported by Cal State Patrol.

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BUDGET ANALYST

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Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment Psychiatry - Substance Abuse ServicesContract Services Security Guard ServicesFor the term starting approximately 7/1/92 through 6/30/93

1) Who performed services prior to contracting out?

These services have always been contracted out.

2) Number of City employees laid off as a result of contracting out?

None.

3) Explain disposition of employees if they were not laid off.

No city employee have ever been hired for this service.

4) What percent of a City employee's time is spent on services to be contracted out?

None.

5) How long have the services been contracted out?

Nine years.

6) What was the first fiscal year for a Proposition J Certification?

FY '83-'84.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The vendor is a minority owned business.


Department RepresentativeTelephone 206-8764

Item 1d - File 101-91-38.2

Department: San Francisco Public Library

Item: Request for release of reserved funds for Library Management Services, salaries and fringe benefits.

Amount: \$214,380

Source of Funds: 1988 Library Improvement Bond Fund

Description: The Board of Supervisors previously approved a supplemental appropriation ordinance (File 101-91-38) for \$4,015,003, which reserved a total of \$1,529,805. These reserved funds totalling \$1,529,805 included the requested \$214,380 for Library Management Services.

The requested \$214,380 in reserved funds would provide Library Management Services for existing Public Library staff to coordinate and manage the new Main Library project for FY 1992-93. These reserved funds would specifically be used as follows:

Personnel (FY 1992-93)

3638 Chief Librarian	\$ 80,080
3632 Librarian II	53,637
1446 Secretary	<u>36,426</u>
Subtotal Personnel	\$170,143

Fringe Benefits (approximately 26 percent of Personnel)	<u>44,237</u>
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Total	\$214,380
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Comments: 1. The \$214,380 in Library Improvement Bond Funds were reserved pending salary standardization increases for FY 1992-93. As previously reported in the Budget Analyst's report on the effect of the Mayor's recommended reductions in the Public Library's 1992-93 budget (File 220-92-1), the average salary standardization increase for Public Library staff for FY 1992-93, including pay equity adjustments, ranged between 10 and 13 percent, which is higher than the approximate 8.7 percent average increase for all City departments. The above-listed request for release of reserved funds includes these salary standardization increases.

Memo to Finance Committee
July 8, 1992

2. According to Ms. Kathy Page of the Public Library, these above-listed existing bond funded positions, which would be funded through the requested release of reserve, would be phased out and eliminated during FY 1995-96 as the availability of bond funds decreases and the new Main Library project nears completion

Recommendation: Release the reserved funds in the amount of \$214,380.

Item 1e - File 133-90-1.7

Department: Chief Administrative Officer (CAO)
Solid Waste Management Program

Item: Release of reserved funds for hauling services, for a project entitled Milkrun/Service for Small Businesses in the City.

Amount: 150,000

Description: The Board of Supervisors previously placed on reserve a total of \$325,000 for the various components of the Solid Waste Management Program, (File 133-90-1).

Of the total \$325,000 of reserved funds, \$150,000 was reserved pending the selection of contractors and information regarding hours, rates and the MBE/WBE status for a milk run program for small quantity generators (SQG) of hazardous materials. A SQG is a business which generates no more than 2,200 pounds or 270 gallons of hazardous waste per month. The types of hazardous waste generated by SQGs include dry cleaning filtration residues, and solvents from printing companies, photography labs, and gas stations. Many of these SQGs lack the technical expertise or the financial resources to dispose of their hazardous waste. Therefore, the requested \$150,000 of funds would be used to provide "milk runs" for SQGs which would involve a hazardous waste hauler going from business to business to pick up and dispose of the hazardous waste at landfills.

The Solid Waste Management Program selected H&H Environmental Service Company as one of two respondents in a Request for Proposal (RFP) process. The contractor was chosen by a five person committee in compliance with HRC requirements.

Budget:	<u>Personnel</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
	Program Manager	\$65.00	211	\$13,720
	Sales/Marketing	65.00	171	11,130
	Clerical	30.00	127	3,820
	Chemist	65.00	75	4,880
	Health and Safety	40.00	81	3,230
	Hazmat Field			
	Personnel	\$40.00	<u>248</u>	<u>9,928</u>
	Subtotal Personnel		913	\$46,708

Field Equipment and Material

Non revenue Vehicles	\$300	
Rev. Vehicles	11,250	
Personal Protective Equipment	<u>1,575</u>	
Total Field Equipment and Material		\$13,125

Disposal Costs

Latex Based Paint Liquids	\$35,836	
Oil Based Paint Liquids	20,425	
Oil Based Paint Sludge	16,056	
Solvents and Thinners	10,750	
Other Misc. Wastestreams	<u>6,300</u>	
Total Disposal Costs		89,367

Miscellaneous Office and Administrative Costs

Courier/Postage	100	
Reproduction/Printing	100	
Telephone/Facsimile	200	
Computer/Desktop Publishing	<u>400</u>	
Total Misc Office and Admin. Costs		<u>\$800</u>

Total Project Budget \$150,000

Comments:

1. Although these funds were placed on reserve in FY 1991-92, Ms. Elahe Enssani of the Solid Waste Management Program reports that these funds have been carried over to FY 1992-93 from FY 1991-92. The \$150,000 as reserved for contractual services would be performed from approximately July 1, 1992 through June 30, 1993.

2. H&H Environmental Service Company is not a City certified MBE or WBE.

Recommendation: Approve the proposed release of reserve.

Item 1f - File 146-91-83.3

Note: Although the July 8, 1992 Finance Calendar indicates that the request for release of reserve is for \$33,944, the Department of Public Health, AIDS Office is requesting a total of \$103,944 be released from reserve for four specific projects.

Department: Department of Public Health (DPH)
AIDS Office

Item: Request for release of reserved funds to establish an HIV education and prevention program for intravenous drug users, an HIV prevention and education program directed towards gay and bisexual Asian and Pacific Islander men, supplemental funds to enhance the previously approved Interactive Video Kiosk project for HIV/AIDS prevention, (File 146-91-83.1) and an AIDS prevention program targeted predominantly towards the African American population living in the Tenderloin area of San Francisco.

Amount: \$103,944

Source of Funds: Department of Health and Human Services, Centers for Disease Control (CDC)

Description: The Board of Supervisors previously authorized the Department of Public Health (DPH) to accept and expend a continuation grant of \$6,099,135 from the Federal Department of Health and Human Services, Centers for Disease Control, and reserved a total of \$449,069 pending the selection of contractors, information regarding hours and rates, and the MBE/WBE status of the contractors. Of the \$449,069 reserved, \$347,159 was reserved for the Survey of Knowledge, Attitudes, Behaviors and Beliefs. Since no more than \$33,464 is needed for the Survey, DPH is requesting the remaining funds be released for other projects. Of the remaining \$313,695, (\$347,159 - \$33,464), DPH would like to release \$33,944 for the Urban Health Study, \$30,000 for the Asian and Pacific Islander Consortium on AIDS (APICA)/Gay Asian Pacific Alliance Community HIV Project (GAPA), \$30,000 for the National Task Force on AIDS Prevention enhancement of the Interactive Video Kiosk project, and \$10,000 for the Glide Foundation, which are the subjects of the proposed request.

The reserved funds in the amount of \$33,944 would be used by the contractor, Urban Health Study, to provide tuberculosis testing, clinical evaluation, and prevention education for suspected and confirmed HIV positive injection drug users. An arrangement has been made with Dr. Gisella Schechter at

San Francisco General Hospital that both suspected and confirmed HIV positive clients would be referred to the Tuberculosis Clinic at San Francisco General Hospital, and would receive referrals, education and counseling, X-rays, medication, clinical evaluation, and follow-up. Because of this arrangement, the contractor would be able to gather data regarding the outcomes of referrals and information pertaining to clinical evaluation of injection drug users.

The AIDS Office selected the contractor, The Urban Health Study, under a Request for Proposal (RFP) process. The Urban Health Study was one of five respondents and was selected by a Selection Review Committee because of their overall viability to perform the necessary service. The Urban Health Study would use the reserved funds for the following:

<u>Personnel</u>	<u>FTE</u>	
Program Coordinator	.25	\$6,085
Community Health Outreach Worker	.15	3,455
Community Health Outreach Worker	.15	<u>3,455</u>
Subtotal		\$12,995
Fringe Benefits @ 26%		<u>3,379</u>
Total Personnel	.55	\$16,374
<u>Operating Expenditures</u>		
Van Rental		\$3,840
Respondent Stipends (1,100 at \$10 each)		11,000
Staff Training		2,230
Materials and Supplies		<u>500</u>
Total Operating Expenses		<u>17,570</u>
Total Project Budget		\$33,944

The reserved funds in the amount of \$30,000 would be used by the contractor, Asian and Pacific Islander Consortium on AIDS (APICA)/Gay Asian Pacific Alliance Community HIV Project (GAPA) to increase outreach, intake, scheduling, and follow-up services to Asian and Pacific Islander gay and bisexual men. This would be done through "prevention case management" which would ensure that the members of this population would be connected to an appropriate risk-reduction support system. APICA/GAPA would also organize outreach and special events, as well as develop a young men's "rap" series on responsible sex, dating, and relationships.

The AIDS Office selected the Contractor, APICA/GAPA under a Request for Proposal (RFP) process. APICA/GAPA

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was one of seven respondents and was chosen by a Selection Review Committee because of their overall viability to perform the necessary service. APICA/GAPA would use the reserved funds for the following:

<u>Personnel</u>	<u>FTE</u>		
Health Educator	1.5	\$18,000	
Fringe Benefits @ 23%		<u>4,140</u>	
Total Personnel			\$22,140

<u>Operating Expenses</u>		
Language Consultation	\$780	
Insurance	350	
Printing and Reproduction	180	
Rental of Equipment	178	
Rental of Property	1,200	
Training	150	
Travel	190	
Utilities	340	
Office Supplies and Postage	678	
Educational Supplies	<u>600</u>	
Total Operating Expenses		\$4,646

Indirect Costs @ 12% of Direct Expenses 3,214

TOTAL Project Budget \$30,000

The reserved funds in the amount of \$30,000 would be used by the contractor, the National Task Force on AIDS Prevention to enhance the previously approved amount of \$30,000 for the development of the Interactive Video Kiosk. The funds would be used for the further development and refinement of the program content as well as research and development for improved software and hardware. The funds would also be used for advertising to promote the kiosk through the news media, to develop posters and displays. The National Task Force on AIDS Prevention would use the reserved funds for the following:

<u>Personnel</u>	<u>FTE</u>		
Fees (for the development and refinement of the program)	NA	\$24,030	
Executive Director	.02	1,200	
Operations Manager	.02	<u>800</u>	
Subtotal		\$26,030	
Fringe Benefits		<u>470</u>	
Total Personnel	.04		\$26,500

Operating Expenditures
Advertising 2,500

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Program Supplies	<u>1,000</u>	
Total Operating Expenditures		<u>\$3,500</u>
TOTAL Project Budget		\$30,000

The reserved funds in the amount of \$10,000 would be used by the contractor, the Glide Foundation, to offset the salary of the Project Coordinator who is responsible for the daily activities of the Glide AIDS Project. The AIDS Project provides AIDS prevention education through street based outreach interventions to adult residents (60 percent of whom are African American) living in the Tenderloin area of San Francisco. Specific efforts would be made to target gay and bisexual males, injection drug users, sexual partners of injection drug users, and people who exchange sex for drugs.

The AIDS Office selected the contractor under a Request for Proposal (RFP) process. The Glide Foundation was one of two respondents and was chosen by a Selection Review Committee because of their overall viability to perform the necessary service. The Glide Foundation would use the reserved funds for the following:

<u>Personnel</u>	<u>FTE</u>	
Project Coordinator	.50	\$8,000
Fringe Benefits @25%		<u>2,000</u>
TOTAL Project Budget		\$10,000

Comments:

1. Mr. Tim Piland at the Aids Office reports that each of the four contractors, Urban Health Study, APICA/GAPA, National Task Force on AIDS Prevention, and the Glide Foundation are non-profit organizations.
2. Mr. Piland reports that the Urban Health Study's contractual services would be performed from approximately January 1, 1992 through December 31, 1992. It is anticipated that 300-350 clients will be served through this program. Mr. Galen Leung of the AIDS Office reports that the contractor has been providing services since January, 1992 without being paid in an effort to respond to the rise in tuberculosis patients. Therefore, this proposed release of reserve would include retroactive funding for the contractor.
3. Mr. Piland reports that APICA/GAPA's contractual services would be performed from approximately July 1, 1992 through December 31, 1992. It is anticipated that approximately 210 persons will receive "prevention case management."

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4. Mr. Piland reports that although the Finance Committee previously approved legislation to release reserves to the National Task Force on AIDS Prevention for the establishment of the Interactive Video Kiosk, (File 146-91-83.1), the Federal Department of Health and Human Services, Centers for Disease Control, (CDC) did not approve this project. Therefore, since the funds to establish the program were not approved by the grantor, the current request to release reserves for the enhancement of this project is no longer necessary. The legislation should be amended to not release the funds in the amount of \$30,000 for the enhancement of the Interactive Video Kiosk.

5. Mr. Piland Reports that the Glide Foundation's contractual services would be performed from approximately July 1, 1992 through December 31, 1992. It is anticipated that approximately 4,622 unduplicated persons would utilize the services provided by the Glide Foundation's AIDS Project.

6. Mr. Piland indicates that a release of reserved funds is requested for the projects described above which were originally reserved, under Resolution No. 1092-91, for the Survey of Knowledge, Attitudes, Behaviors, and Beliefs (File No. 146-91-83). Mr. Piland indicates that an error occurred in reserving \$347,159 for the Survey, since the Survey's budget was only \$33,464, and that excess funds were therefore reserved in the amount of \$313,695. DPH is therefore requesting that \$103,944 of these excess reserve funds be applied for the projects described above. (As noted above, \$30,000 of the request is no longer needed.) The Budget Analyst believes that such a release of funds originally reserved for the Survey of Knowledge, Attitudes, Behaviors, and Beliefs is a policy matter for the Board of Supervisors.

Recommendations: 1. Amend the total amount of release of reserved funds from \$103,944 to \$73,944 since it is no longer necessary to release the amount of \$30,000 for the enhancement of the Interactive Video Kiosk.

2. Include retroactive funding in the proposed release of reserve for The Urban Health Study which has been providing services since January, 1992.

3. Approval of the proposed release of reserves is a policy matter for the Board of Supervisors.

Item 1g - File 79-91-2.4

Department: Mayor's Office of Economic Planning and Development

Item: Release of reserved funds for the Enterprise Zone Program

Amount: \$63,465

Source of Funds: Community Development Block Grant Funds

Description: In December 9, 1991, the Board of Supervisors approved the City's 1992 Community Development Block Grant (CDBG) Program (File 79-91-2) in an amount of \$20,093,535. At the same time, the Board of Supervisors placed \$63,465 for the Enterprise Zone Coordinator position on reserve, pending the Civil Service Commission review and approval of the position.

The staff of the Civil Service Commission Classification Unit have reviewed the job description for the Enterprise Zone Coordinator and have given their approval for the subject position to be classified as a 9792 Assistant to the Mayor VI. The 1992-93 standardized amount for this position, which is a single step position, is \$70,183 annually.

Comments:

1. The Board of Supervisors previously approved legislation establishing an Enterprise Zone in San Francisco (File 248-91-1). The Enterprise Zone is aimed at (1) providing employment for the City's economically disadvantaged population, (2) stimulating private investment in communities considered to be economically depressed and (3) encouraging business retention and attraction in economically depressed areas. The goals of the San Francisco Enterprise Zone Program are to retain existing businesses, attract new businesses, diversify the City's economic base and increase the City's tax base. San Francisco's Enterprise Zone is designed to stimulate economic development through the use of tax incentives such as State tax credits and business and financial services which will be available to businesses located in the Enterprise Zone.
2. San Francisco's Enterprise Zone covers approximately 12,800 businesses in the following nine neighborhoods: South Bayshore/Bayview Hunters Point, the Mission, the Mission Bay Project area, South of Market, Potrero Hill, Tenderloin, Chinatown, Western Addition and Haight Ashbury District.
3. Under the direction of the Director of the Mayor's Office of Economic Planning and Development, the Enterprise Zone

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Coordinator would be responsible for the planning, design, implementation, marketing, staff training, monitoring and evaluation of the San Francisco Enterprise Zone Program.

4. The Mayor's Office reports that contingent upon the Finance Committee's approval of the proposed release of reserve funds, the Enterprise Zone Coordinator position would be filled effective August 1, 1992. The \$63,465 represents 10 months of salary (\$58,490) and Fringe Benefits (\$4,975 or 8.5%). Only 8.5% is included for Fringe Benefits because this position is a limited tenure position and is eligible for health benefits only. However, since the Community Development Block Grant Program funds were allocated for calendar year 1992, only \$31,730 (\$29,245 salaries plus \$2,485 in Fringe Benefits) would be required, at this time, to fund this position for a five-month period (August 1, 1992 to December 31, 1992). Therefore, the Budget Analyst recommends that \$31,730 of the \$63,465 placed on reserve be released and the remaining balance of \$31,735 continue to be reserved.

5. Mr. Bernhard Gunther of the Mayor's Office reports that funds to pay for this position for calendar year 1993 would be included in the 1993 CDBG budget request.

Recommendation: Release \$31,730 of the \$63,465 placed on reserve and continue to reserve the remaining balance of \$31,735.

Item 1h - File 100-91-1.29

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Item: Request for release of reserved funds for contractual services.

Amount: \$750,000

Source of Funds: SFGH's 1991-92 budget, which is funded through various revenues (approximately 68 percent) and through a General Fund subsidy (approximately 32 percent).

Description: During the 1991-92 budget process, the Board of Supervisors recommended to reserve \$750,000 of a \$1.5 million contract for services provided by Health Management Systems, Inc. (HMS) for Comprehensive Account Management Services (CAMS), which is an electronic bill processing services. At the time the Board of Supervisors approved the contract (172-90-26) with HMS, there was uncertainty regarding whether or not the utilization of the CAMS System would result in increased revenues, and therefore the Board of Supervisors requested that SFGH submit an evaluation on increased revenues achieved after six months, prior to releasing the \$750,000 in funding for the remaining six months of the contract. This proposed request for release of reserved funds transmits this six month review of electronic bill processing services to the Board of Supervisors.

The HMS contract term began on July 1, 1991 and expires on June 30, 1994. Under the provisions of the contract, HMS is responsible for the installation of the CAMS system computer hardware, on-site training of SFGH staff and coordinating the CAMS system interface with SFGH's Management Information Systems (MIS). Once the CAMS system has been implemented, HMS would provide on-site support staff at SFGH, as necessary to answer questions, provide ongoing staff training and resolve problems.

The CAMS system processes the following types of claims:

- (1) Inpatient and outpatient Medi-Cal claims.
- (2) Inpatient and outpatient Medicare claims, including psychiatric claims.
- (3) Inpatient and outpatient insurance claims to all carriers who accept electronic media claims.
- (4) Outpatient Child Health Development (CHDP) claims.

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(5) Medi-Cal outpatient Pharmacy claims.

(6) Automated Doctors First Report of Injury forms for California Workers Compensation accounts.

(7) Health Care Financing Administration (HCFA) 1500 Part B claims.

SFGH reports that increased revenues would result from the HMS contract because the CAMS system would reduce all denied or rejected claims by 50 percent. In addition, the State rejects certain Medi-Cal claims because the ocular readers (viewing devices used to read the information on claim forms) have difficulty reading manually prepared claims.

Comments:

1. Under the contract with HMS for electronic claims processing, the City's cost does not exceed 12.5 percent of revenues collected, but in no event can the City's cost exceed \$1.5 million annually. For FY 1991-92, the City owes HMS a total of \$1.5 million because the revenues collected exceeded the \$1.5 million maximum payable limit.

2. SFGH indicates that under the current contract with HMS, the following benefits have been provided:

- Accelerated cash flow, as turnaround time for processing claims is more rapid through computerized claims processing rather than for processing paper claims;
- Increased productivity of SFGH billing staff, by automating the billing of large volumes of claims, particularly large outpatient volumes due to high volume clinics at SFGH;
- Reduction in the number of initial denied claims, from a denial rate of approximately 20 percent to less than five percent;
- Elimination of intermediary keypunch errors in processing of paper claims;
- Reduced Accounts Receivable, as claims are paid more quickly;
- Job enrichment for SFGH Patient Accounting personnel, as technology is integrated into the patient accounting work place;
- Decreased need for retention and storage of paper records;

3. SFGH reports that the following revenues would be provided to SFGH through the HMS contract as compared with revenues provided in 1990, which is used as a baseline year because it was prior to the implementation of the HMS electronic claims processing system:

Adjusted Medi-Cal Collections (FY 1991-92)	\$35,108,756
HMS Fees (FY 1991-92)	<u>1,500,000</u>

Net Adjusted Medi-Cal Collections, after \$1.5 million payment to contractor	\$33,608,756
Less 1990 (Baseline) Net Adjusted Medi-Cal Collections	<u>32,068,337</u>

Revenues in Excess of 1990 (Baseline) net of \$1.5 million payment to contractor	<u>\$1,540,419</u>
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As noted above, under the HMS contract, HMS's projected performance for FY 1991-92, based upon actual collections for six months, is anticipated to exceed the 1990 Baseline by \$1,540,419. Other revenues from Medicare, and private insurance claims have not yet been fully documented, but the overall revenues generated by the electronic claims processing system would be in excess of the \$1,540,419. Therefore, without the HMS contract, SFGH reports that a minimum of \$1.5 million in revenues would be lost annually.

4. The proposed request for release of reserved funds would fund the HMS contract for services provided for a six month period beginning approximately January 1, 1992 through June 30, 1992. According to Mr. Peter Praetz of SFGH, HMS has continued to be paid through April, 1992 with other budgeted funds for contractual services. According to Mr. Richard Cordova of SFGH, due to a departmental oversight, SFGH has not previously submitted a six month review of increased revenues achieved, nor requested the release of the reserved funds prior to the incurring of these contractual obligations.

5. Therefore, because these contractual obligations have already been incurred and payments have previously been made through April, 1992, the request for release of reserved funds should be amended to authorize the retroactive payment of funds. In addition, given that SFGH did not submit the six month review of increased revenues achieved prior to when the contractual obligations have been incurred and payments have been made to HMS, the Budget Analyst believes that approval of the proposed request for release of reserved funds is a policy matter for the Board of Supervisors.

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6. HMS, which is located in New York, NY, was selected through a Request for Proposal (RFP) process. HMS is neither an MBE or WBE firm.

Recommendation: Approval of the request for release of reserved funds, which would provide payment to Health Management Services (HMS) on a retroactive basis, is a policy matter for the Board of Supervisors.

Item 1i - File 68-92-8

Department: Mayor's Criminal Justice Council

Item: Resolution authorizing the Mayor of the City and County of San Francisco to apply for, accept and expend new Federal grant funds in the amount of \$35,991 made available through the Office of Criminal Justice Planning, and agreeing to provide matching funds in the amount of \$3,599.

Description: \$35,991

Source of Funds: Federal funds through the California Office of Criminal Justice Planning (OCJP)

Grant Period: July 1, 1992 through June 30, 1993

Project Title: Gang Prevention Program GVSP (Gang Violence Suppression Program)

Project Description: The Gang Prevention Program GVSP would be administered by the Mayor's Criminal Justice Council Gang Prevention Program. The Program would provide Gang Prevention Education Curriculum at four middle schools (Potrero Hill, Martin Luther King, James Denman, and Herbert Hoover) and two high schools (McAteer and Mission), for students ages 12-18. The Mayor's Office reports that the Gang Prevention Education Curriculum is based on a low-risk lifestyle reduction model which is founded on the belief that students are more likely to make sound choices about gangs and drugs under the following circumstances:

- 1) Students understand that they have choices.
- 2) Students become aware of what behavior choices tend to increase their risks of gang involvement.
- 3) Environmental influences (i.e., school policy, peer support, parental expectations) that encourage low-risk options are maximized and negative environmental influences that encourage high-risk options are minimized.
- 4) Internal influences (attitudes, values, self-concept) that encourage low-risk options are maximized and internal influences that encourage high-risk options are minimized.

- 5) Students realize that all situations provide opportunities for learning the skills that are necessary for choosing and using low-risk options.

The Gang Prevention Education Curriculum would be organized into 45 to 60 minute sessions which would be conducted by the Gang Prevention Education Specialist, a Police Officer or a classroom teacher. One session per week would be held at each of the four middle schools and the two high schools. The curriculum would be aimed at building self-esteem, enhancing personal skills, and stressing behavioral options. The curriculum would include group discussion, role playing, written exercises, problem solving techniques as well as other activities. Students would be referred to the Gang Prevention Education Curriculum Program by community-based organization casemanagers, the Juvenile Probation Department, the Unified School District and the Department of Social Services.

Project Budget:

Personnel

Gang Prevention		
Education Specialist	\$29,566	
Fringe Benefits	<u>2,648</u>	
Subtotal		\$32,214

Operating Expenses

Consultant Services	\$5,000	
Audit	<u>396</u>	
Subtotal		5,396

Indirect Costs

1,980

Total

\$39,590*

*The \$39,590 total project amount includes the proposed grant amount of \$35,991 plus \$3,599 in required match.

Required Match:

\$3,599, which is included in the Mayor's 1992-93 budget.

Indirect Costs:

\$1,980 (5.5% of total grant)

Comments:

1. The Mayor's Office advises that if grant funds are terminated or reduced, grant personnel will be terminated or reduced accordingly.

2. The application deadline for this grant is July 1, 1992. Therefore, the proposed resolution should be amended to

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authorize the Department to apply for the proposed grant retroactively.

3. Reference to indirect costs in the amount of \$1,980 is included in the body of the legislation but not in the title of the legislation. Therefore, the proposed legislation should be amended to reference indirect costs in the amount of \$1,980 in the title of the legislation.

4. Attached is the "Summary of Grant Request", as prepared by the Mayor's Office, for the proposed grant.

5. A Disability Access Checklist has been prepared by the Department and is included in the file.

Recommendation:

Amend the proposed legislation to (1) authorize the Department to apply for the proposed grant retroactively and (2) reference indirect costs in the amount of \$1,980 in the title of the proposed legislation and approve the proposed legislation as amended.

Item No. _____

MAYOR'S OFFICE - Summary of Grant Request

Rev. 4/10/90

Grantor Office of Criminal Justice Planning Division Mayor
 Contact Person Olin Jones Section Criminal Justice Council
 Address 1130 K Street, Suite 300 Contact Person Joyce O. Smith
Sacramento, CA 95814 Telephone (415) 554-6561
 Amount Requested \$ 35,991 Application Deadline June 3, 1991
 Term: From 7/1/92 To 6/30/93 Notification Expected July 1, 1992
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a)
 (Circle appropriate words) grant in the amount of \$ 35,991 from the period of 07/01/92 to 06/30/93
 to provide administration of the Gang Prevention Education services.
Curriculum

II. Summary: (Context/history, need addressed; number + groups served; services and providers)

The Gang Prevention Education Curriculum is a project of the Gang Prevention Program and is designed to prevent gang involvement among the children and youth in the City and County of San Francisco. The emphasis is to help students recognize the internal and external influences that encourage choosing low-risk options or behavior over high risk options. In addition, the program strategies are based on the belief that enhancing self-esteem

III. Outcomes/Objectives: skill building, and risk reduction enables a student to make sound choices. The curriculum to be used is based on a low-risk lifestyle reduction model. The curriculum will be implemented in four middle schools and one high school. The Gang Prevention Education Curriculum will conduct the sessions and will train peer facilitators to assist in implementation.

IV. Effects of Reduction or Termination of These Funds:

The program would be reduced or terminated.

V. Financial Information:

	<u>Col. A</u> Two Years Ago	<u>Col. B</u> Past Year/Orig.	<u>Col. C</u> Proposed	<u>Col. D</u> Change	<u>Req. Match</u>	<u>Approved by</u>
Grant Amount			<u>\$35,991</u>		<u>\$3,599</u>	
Personnel			<u>28,993</u>		<u>3,221</u>	
Equipment						
*Contract Svc.			<u>4,500</u>		<u>500</u>	
Mat. & Supp.						
Facilities/Space						
Other AUDIT			<u>356</u>		<u>40</u>	
Indirect Costs			<u>1,782</u>		<u>198</u>	

VI. Data Processing

(costs included above)

N/A

VII. Personnel

F/T CSC					
P/T CSC					
Contractual			<u>1</u>		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?
Contingent on the availability of other funding.

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (If sole source, attach Request for Exemption Form)

Item 1j - File 130-92-3

Department: Adult Probation

Item: Resolution authorizing the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend continuation State grant funds in the amount of \$105,055, and agreeing to provide matching funds in the amount of \$11,673.

Amount: \$105,055

Source of Funds: California Office of Criminal Justice Planning

Grant Period: July 1, 1992 through June 30, 1993

Project Title: Gang Caseload Component of the Intensive Services Unit

Project Description: The proposed grant funds would be used by the Adult Probation Department primarily to fund two Senior Probationer Officer positions to provide intensive supervision and surveillance to enforce the conditions of high risk offenders on probation for gang-related activities. This grant had previously funded only one Senior Probation Officer. The Senior Probation Officers would work closely with the Police Department, the District Attorney's Office and various treatment providers to provide probationers with drug treatment and other rehabilitative services. The program's objective is to lower the recidivism of probationers assigned to this grant funded program either through rehabilitation or their prompt incarceration if they commit probation violations.

No. of Persons Served: Two caseloads of up to 50 adult probationers

Grant Budget:	<u>Personnel</u>		
	Two Senior Probation Officers (1.80 FTE)	\$91,845	
	Fringe Benefits	<u>5,042</u>	
	Subtotal		\$96,887

Operating Expenses

Travel	\$1,676	
Staff Mileage	1,603	
Telephone	1,800	
Supplies and Forms	837	
Audit	1,167	
	1,598	
Personal Computer (1)	4,591	
Modem	<u>733</u>	
Subtotal		14,005

Indirect Costs 5,836

Total \$116,728*

* Includes grant amount of \$105,055 plus \$11,673 in required matching funds.

Required Match: \$11,673, which is included in the Adult Probation Department's 1992-93 budget.

Indirect Costs: \$5,836 (5.5 percent of total grant)

Comments: 1. The proposed grant amount of \$105,055 is \$64,107 or 156.5 percent more than the 1992-93 grant amount of \$40,948. This increased funding primarily reflects the increase in grant staff from one to two Senior Probation Officers.

2. The Adult Probation Department advises that due to seniority, one of the Senior Probation Officers would be retained through another funding source, if grant funding should be terminated. However, the most recently hired Senior Probation Officer would be terminated, if grant funds are terminated.

3. The application deadline for this grant is June 3, 1992. Therefore, the proposed resolution should be amended to authorize the Department to apply for the proposed grant retroactively.

4. Reference to indirect costs in the amount of \$5,836 is included in the body of the legislation but not in the title of the legislation. Therefore the proposed legislation should be amended to reference indirect costs in the amount of \$5,836 in the title of the legislation.

5. Attached is the "Summary of Grant Request", as prepared by the Adult Probation Department, for the proposed grant.

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6. A Disability Access Checklist has been prepared by the Department and is included in the file.

Recommendation: Amend the proposed legislation to (1) authorize the Department to apply for the proposed grant retroactively and (2) reference indirect costs in the amount of \$5,836 in the title of the proposed legislation, and approve the proposed legislation as amended.

Item No. _____

Summary of Grant Request

Rev. 4/10/90

California Office of Criminal
Justice Planning
Grantor _____
Contact Person Olin Jones
Address 1130 K Street
Sacramento, Ca. 95814

Adult Probation
Division _____
Section Community Services
Contact Person Sergio Calizo
Telephone (415) 553-1919

Amount Requested \$ 105,055.00
Term: From 7-1-92 To 6-30-93

Application Deadline 6-3-92
Notification Expected pass resolution to accept, and expend funds.

Board of Supervisors: Finance Committee

Full Board

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$105,055 from the period of 7-1-92 to 6-30-93 to provide intensive supervision services.

II. Summary: (Concise summary of objectives, needs, goals, services, and previous)

This grant is entering its 7th year. Presently one probation officer intensively supervises a caseload of up to 50 probationers most of which are Hispanic gang members. The officer has a thorough knowledge of Hispanic gang activities and of community resources. We are seeking to expand the grant to the use of 80% of another gang officer.

III. Outcomes/Objectives:

The objective is to lower the recidivism of probationers assigned to this grant caseload(s) either through their rehabilitation or their prompt incarceration if they commit probation violations.

IV. Effects of Reduction or Termination of These Funds:

The program would end, resulting in the removal from close probation supervision of 50 felons who are gang members. They would be less likely to receive services or be returned to Court promptly for violations.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	41,500	40,948	105,055	+64,107	11,673	
Personnel	57,308	45,624	96,887	+51,263		
Equipment			5,324	+ 5,324		
*Contract Svc.			4,235	+ 2,105		
Mat. & Supp.	15	2,130				
Facilities/Space						
Other	2,512	2,534	4,446	+ 1,912		
Indirect Costs	4,525	4,309	5,836	+ 1,527		

VI. Data Processing

(Data included above)

VII. Personnel

	1	1	1.8	.8
F/T CSC				
P/T CSC				
Contractual				

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

Yes, because of seniority. However, the most recently hired probation officer in the Department would be laid off.

*VIII. Contractual Services: Open Bid

Sole Source

(If sole source, attach Request for Exception Form)

Item 1k - File 130-92-4

Department: Adult Probation

Item: Resolution authorizing the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend a continuation Federal grant in the amount of \$188,400 made available through the Office of Criminal Justice Planning.

Amount: \$188,400

Source of Funds: Federal funds through California Office of Criminal Justice Planning (OCJP)

Grant Period: July 1, 1992 through June 30, 1993

Project Title: San Francisco Adult Probation's Drug Abatement Program

Project Description: The San Francisco Adult Probation's Drug Abatement Project targets street-level drug offenders and provides assistance for drug offenders through field surveillance, frequent drug testing and close supervision of probationers' participation in treatment. This program will continue to provide frequent drug testing of probationers and close supervision of probationers' progress in treatment. Field surveillance will be used as necessary to insure frequent contacts with probationers, and verification of residence, employment and general compliance with conditions of probation. The two Senior Probation Officers assigned to this program would each supervise caseloads not to exceed 35 probationers.

Part of the project will consist of working with female probationers who are pregnant drug users, particularly users of crack cocaine, and drug-using mothers of small children. The goal will be not only the rehabilitation of the probationers but the protection of their children. The project will also concentrate on offenders aged 18 to 21 who are involved in drug sales and gang activity.

Grant Budget:

<u>Personnel</u>	
8442 Senior Probation Officer (2.0 FTE)	\$102,051
1426 Senior Clerk Typist (1.0 FTE)	32,181
Fringe Benefits	<u>12,660</u>
	\$146,892

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<u>Operating Expenses</u>	
Travel	\$2,904
Office Supplies	900
Telephone	600
Drug Testing Supplies & Analysis	24,850
Equipment	1,000
Audit	<u>1,884</u>
Subtotal	32,138
<u>Indirect Costs</u>	<u>9,370</u>
Total	\$188,400

Required Match: None

Indirect Costs: \$9,370 (5% of the total grant)

Comments:

1. The proposed grant amount of \$188,400 is \$17,605 or 10.3 percent more than the 1991-92 grant amount of \$170,795.
2. The Adult Probation Department advises that, contingent upon the identification of another source of funds, if grant funds are terminated or reduced, grant personnel will be terminated or reduced accordingly.
3. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Finance Committee of July 8, 1992, as follows:

	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation*	130-92-4	\$188,400
District Attorney	138-92-4	330,812
Police Department	143-92-3	137,962
Sheriff	152-92-2	<u>84,558</u>
		\$741,732

* Subject of the proposed resolution.

4. It is possible that if additional funds are made available by the State Office of Criminal Justice Planning, this grant could be augmented at a later date. According to the Mayor's Office, such additional funds would be used to extend the grant period. Because the State may need to appropriate these funds quickly, a delay may result in a loss to the City of those additional funds. Therefore, the proposed resolution contains in the body of the legislation, the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. If approved, the Adult

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Probation Department would not have to request approval of the Board of Supervisors to apply for, accept and expend any future augmentation to this grant. As such, the Budget Analyst believes that approval of the proposed legislation is a policy matter for the Board of Supervisors.

5. The application deadline for this grant is June 9, 1992. Therefore, the proposed resolution should be amended to authorize the Department to apply for the proposed grant retroactively.

6. Reference to indirect costs in the amount of \$9,370 is included in the body of the legislation but not in the title of the legislation. Therefore the proposed legislation should be amended to reference indirect costs in the amount of \$9,370 in the title of the legislation.

7. Attached is the "Summary of Grant Request", as prepared by the Adult Probation Department, for the proposed grant.

8. A Disability Access Checklist has been prepared by the Department and is included in the file.

Recommendation: Approval of the proposed resolution, which includes authorization of any extensions or amendments without subsequent approval by the Board of Supervisors, is a policy matter for the Board of Supervisors. Should the Board of Supervisors approve the proposed legislation, it should be amended (1) to authorize the Department to apply for the proposed grant retroactively and (2) to reference indirect costs in the amount of \$9,370 in the title of the proposed legislation.

Item No. AL PROBATION - Summary of Grant Request

Rev. 4/10/90

Grantor Office of Criminal Justice Planning
 Contact Person John Isaacson
 Address 1130 K Street, Suite 300
Sacramento, CA 95814
 Amount Requested \$ 188,400
 Term: From 07/01/92 To 06/30/93

Division Adult Probation
 Section Community Services
 Contact Person Carmen Bushe
 Telephone (415) 553-1901
 Application Deadline June 9, 1992
 Notification Expected Pass resolution to a
for accept and expend funds
 Board of Supervisors: Finance Committee
 Full Board

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$ 188,400 from the period of 07/01/92 to 06/30/93 to provide drug offender intensive supervision services.

II. Summary: (Concise, brief, and accurate; include a group, services and providers) The serious drug problem places a heavy demand on the resources of medical, social services and law enforcement agencies. The number of criminal street gangs involved in drug sales and women with children and pregnant women, who are drug abusers, is increasing at a rapid rate. For Adult Probation, this means both a rising workload and a large increase in the proportion of the total workload which involves drug. This program will provide intensive supervision for selected high risk drug offenders, with a focus on women who are pregnant or have children, and young male adult offenders.

III. Outcomes/Objectives:
 The program will provide frequent drug testing of probationers and close supervision of probationers' progress in treatment. The two caseloads will not exceed 35 active case each. Field surveillance will be used as necessary to insure frequent contacts with probationers, and for verification of residence, employment and general compliance.

IV. Effects of Reduction or Termination of These Funds:
 The reduction or termination of these funds will overwhelm the Community Services units due to the number of probationers either selling or using drugs.

V. Financial Information:

	Col. A 6 MOS Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	101,376	170,795	188,400	+17,605		
Personnel	77,718	155,801	146,892	- 8,909		
Equipment	-0-	-0-	1,000	+ 1,000		
*Contract Svc.	-0-	-0-	-0-	-0-		
Mat. & Supp.	15,943	1,500	26,350	+24,850		
Facilities/Space						
Other	2,646	4,954	4,788	- 166		
Indirect Costs	5,069	8,540	9,370	830		

VI. Data Processing

(Same Excluded Above)

VII. Personnel

F/T CSC	3	3	3	NONE
P/T CSC				
Contractual				

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, How?
Contingent on availability of funds

*VIII. Contractual Services: Open Bid Sole Source (If sole source, attach Request for Proposals Form)

Item 11 - File 138-92-2

Department: District Attorney

Item: Resolution authorizing the District Attorney to apply for funds in the amount of \$112,970 through the Office of the Attorney General for the operation of a project entitled "Child Victim Witness Investigative Pilot Project" for the period July 1, 1992 through June 30, 1993.

Grant Amount: \$112,970

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: Office of the Attorney General

Project: Child Victim Witness Investigative Pilot Project

Description: The City's Child Victim Witness Investigative Pilot Project is one of three demonstration pilot projects chosen by the Attorney General's Office to develop, deliver and evaluate a comprehensive, multi-disciplinary approach to the investigation of child sexual abuse. The goals of the project are to reduce trauma to child victims of sexual abuse, improve the truth-finding process by reducing the number of interviews and interviewers, developing trained experts in interviewing child victims, and videotaping interviews of child sexual abuse victims. The project will be in its third and final year in fiscal year 1992-93.

Project Budget:	<u>Personnel</u>	<u>FTEs</u>	<u>Salaries</u>
	Project Coordinator	1.00	\$50,284
	Administrative Asst.	1.00	26,598
	Forensic Advisor	0.07	7,180
	Grants Manager	0.05	3,102
	Accountant	0.05	1,926
	Fringe Benefits		<u>13,938</u>
	Total Personnel	2.17	\$103,028

Travel/Training

Out-of-County Travel:	
Mileage & Tolls	\$175
Per Diem	28
Parking	<u>16</u>
Total Travel	\$219

Operating Expenses

Photocopies	\$674
Office Supplies	602
Postage	208
Machine Rental	197
Telephone	1,263
Audit (1% of Total Grant)	<u>1,130</u>
Total Operating Expenses	\$4,074

Indirect Costs 5,649

Total \$112,970

Required Match: None

Indirect Costs: \$5,649 or 5 percent of the total grant.

Comments:

1. The proposed resolution authorizes the District Attorney to apply for \$112,970 for the Child Victim Witness Investigative Pilot Project. Ms. Donna Medley of the District Attorney's Office advises that the proposed resolution should retroactively authorize the District Attorney's Office to apply for a grant of \$112,970 since the application deadline was May 15, 1992 and the District Attorney has already applied for the grant. Ms. Medley reports that at the time of this writing, the District Attorney's Office has not been advised by the State as to the exact amount of the grant to be awarded for this Project, but that the original deadline for notification of the grant amount was June 30, 1992.
2. Attached is a copy of the Summary of Grant Request form, as completed by the District Attorney's Office. In Part I of the form (Item Description), the grant amount should be \$112,970 rather than \$113,000.
3. The District Attorney's Office has completed a Disability Access Checklist, which is in the file. The District Attorney's Office has indicated on the checklist in Item 11 that the project staff is in need of disability awareness training. Also included in the file is a copy of a letter to Mr. Larry del Carlo of the Mayor's Office from Ms. Medley, dated September 16, 1991, requesting disability awareness training for the project staff.
4. The out-of-county travel amount is calculated based on four trips to Sacramento (round trip) by project staff. The \$175 for mileage and tolls is calculated by assuming 190 miles

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for each of the four trips at the mileage rate of \$.22 per mile (or \$167.20) and \$8 for tolls. Per diem is calculated at \$7 for each of the four trips (or \$28).

5. The proposed grant of \$112,970 is 15.7 percent less than the total grant amount of \$134,000 awarded in fiscal year 1991-92 (an initial grant of \$112,970 and an augmentation to the grant of \$21,030).

6. The proposed grant of \$112,970 includes indirect costs of \$5,649, and these indirect costs are noted in the body, but not in the title, of the proposed resolution. Therefore, the proposed resolution should be amended to include indirect costs of \$5,649, or five percent of the total grant, in the title of the proposed resolution.

7. Ms. Medley advises that the District Attorney's Office has been exploring alternative funding sources for the project, since fiscal year 1992-93 will be the third and final year in which funding will be provided for the project by the State Attorney General's Office. Ms. Medley reports that the District Attorney's Office has been convening the Coordination of Child Abuse Response Systems Task Force, which also consists of representatives from the Juvenile Division of the Police Department, the Department of Public Health, and the Mayor's Office. One of the Task Force's objectives is to explore alternative funding sources.

Recommendation: Amend the proposed resolution to retroactively authorize the District Attorney's Office to apply for \$112,970, and to include indirect costs of \$5,649 in the title of the proposed resolution. Approve the proposed resolution, as amended.

40

Item 1m - File 138-92-3

Department: District Attorney

Item: Resolution authorizing the District Attorney to apply for, accept and expend grant funds of \$236,141 through the California Office of Criminal Justice Planning for the operation of the Career Criminal Program for the period July 1, 1992 through June 30, 1993, and agreeing to provide a cash match of \$23,614.

Grant Amount: \$236,141

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: Career Criminal Program

Description: This would be the fourteenth year of funding for this State mandated program (Chapter 2.3 of the California Penal Code, commencing Section 999B). The Career Criminal Program provides specialized, intensive prosecution focused on repeat offenders involved in robberies and residential burglaries, and ultimately seeks the prosecution and maximum period of incarceration of the "career criminal."

The primary objectives of the program include identifying recidivist offenders, expeditiously and effectively prosecuting these offenders, and incarcerating these offenders for the maximum term authorized by the law. Other objectives include eliminating or reducing the use of plea bargaining, reducing the caseload for career criminal prosecutors and investigators, and using vertical prosecution (i.e., the use of one prosecutor per case from the initial filing or appearance to sentencing) with career criminal cases.

Project Budget:	<u>Personnel</u>	<u>FTEs</u>	<u>Salaries</u>
	Head Attorneys	0.70	\$68,288
	Principal Attorneys	1.05	71,136
	Investigators	0.70	35,845
	Investigative Assistants	0.35	12,195
	Legal Stenographer	<u>0.30</u>	<u>12,034</u>
	Subtotal Salaries	3.10	\$199,498
	<u>Mandatory Fringe Benefits</u>		<u>39,353</u>
	Subtotal Personnel Costs		\$238,851

Operating Expenses

Travel (one grant-related two day conference in Southern California for two persons)	\$1,282	
Audit	2,598	
Office Supplies	765	
Postage	264	
Photocopy Rental/Supplies	1,137	
Telephones	1,607	
Legal Publications	<u>882</u>	
Subtotal Operating Expenses		\$8,535
Indirect Costs		<u>12,369</u>
Total Program Budget		\$259,755
Less required match		<u>23,614</u>
Total Proposed Grant		\$236,141

Required Match: The required match of \$23,614 is included in the District Attorney's budget for fiscal year 1992-93, to be funded through the General Fund. The State OCJP requires that ten percent of the proposed grant of \$236,141 be matched by local funds.

Indirect Costs: \$12,369 or 5 percent of \$247,386 (\$238,851 for personnel costs and \$8,535 for operating expenses) is included in the grant amount.

Comments:

1. Since the deadline for submission of the proposal was April 30, 1992 and since the District Attorney has already applied for the grant, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for the proposed grant.
2. Attached is a copy of the Summary of Grant Request form, as completed by the District Attorney's Office. As reflected on the attachment, the proposed grant amount of \$259,755 is the total program budget (the requested grant amount of \$236,141, plus the required local match of \$23,614).
3. The District Attorney's Office has completed a Disability Access Checklist, which is in the file. The District Attorney's Office has indicated on the checklist in Item 11 that the project staff is in need of disability awareness training. Also included in the file is a copy of a letter to Mr. Larry del Carlo of the Mayor's Office from Ms. Donna Medley of the District

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Attorney's Office, dated September 16, 1991, requesting disability awareness training for the District Attorney's staff.

4. The proposed grant award of \$236,141 represents the same grant amount that was provided to the District Attorney's Office for the Career Criminal Program in fiscal year 1991-92. At the time of this writing, the State has not yet notified the District Attorney's Office of the exact grant amount to be provided for the Career Criminal Program.

5. Indirect costs are noted in the body, but not in the title, of the proposed resolution. Therefore, the proposed resolution should be amended to reflect indirect costs of \$12,369 in the title of the proposed resolution.

Recommendation: Amend the proposed resolution to retroactively authorize the District Attorney's Office to apply for a grant of \$236,141, and to reflect indirect costs of \$12,369 in the title of the proposed resolution. Approve the proposed resolution, as amended.

Grantor Office of Criminal Justice Planning Division District Attorney's Office
 Contact Person Ralph Rowe Section _____
 Address 1130 K Street, Suite 300 Contact Person Bridget Bane
Sacramento, CA 95814 Telephone 553-1895
 Amount Requested \$ 259,755 Application Deadline April 30, 1992
 Term: From 07-01-92 To 06-30-93 Notification Expected _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$259,755 from the period of 07-01-92 to 06-30-93 to provide Career Criminal Prosecution Program services.
 (Circle appropriate words)

II. Summary: (Circle primary goal addressed; number & groups served; services and providers)
The Career Criminal Program, a State mandated project, will begin its 14th year of fu
The underlying essence of the Career Criminal Program has not changed as the program
designed to be crime specific concentrating on the prosecution of cases involving rob
and residential burglary. The funding amount from the Office of Criminal Justice Pla
ning for the FY 92-93 will remain the same as FY91-92.

III. Outcomes/Objectives:
The recidivist offender who persist in the commission of these offenses has a signific
negative effect on the quality of life of law abiding San Francisco citizens. Theref
the most important objective for the Career Criminal Program is the prosecution and m
um period of incarceration of the "Career Criminal". See attachment for additional
 IV. Effects of Reduction or Termination of These Funds: objectives

The Career Criminal Program has proven to be effective as well as valuable to the cit
of the City and County of San Francisco, continued funding is being sought in order t
maintain this project. The community will be negatively impacted should this type of
prosecution be reduced or terminated.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved b
Grant Amount	<u>270,578</u>	<u>259,755</u>	<u>259,755</u>	<u>-0-</u>	<u>23,614</u>	
Personnel	<u>248,777</u>	<u>238,397</u>	<u>238,851</u>	<u>+454</u>		
Equipment	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>		
*Contract Svc.	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>		
Mat. & Supp.	<u>529</u>	<u>826</u>	<u>765</u>	<u>-61</u>		
Facilities/Space	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>		
Other	<u>7,743</u>	<u>8,163</u>	<u>7,770</u>	<u>-393</u>		
Indirect Costs	<u>13,529</u>	<u>12,365</u>	<u>12,369</u>	<u>-0-</u>		

VI. Data Processing
 (none included above) n/a n/a n/a n/a

VII. Personnel
 F/T CSC 10* 10* 10* n/a
 P/T CSC _____
 Contractual _____

* positions at varying percentages - balance paid by District Attorney's General Fund.
 Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
see VII above

Will grant funded employees be retained after this grant terminates? If so, How?
Grant funded employees will be retained contingent upon continued source of funding.

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if under source search Request for Exemption Form)

Item 1n - File 138-92-4

Department: District Attorney

Item: Resolution authorizing the District Attorney to apply for, accept and expend a continuation State grant of \$330,812 for the "San Francisco District Attorney's Drug Abatement Project" for the period July 1, 1992 through June 30, 1993.

Grant Amount: \$330,812

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: San Francisco District Attorney's Drug Abatement Project

Description: The District Attorney's Drug Abatement Project provides staff to focus on a more aggressive prosecution of an increasing number of drug-related cases. The assignment of 2.47 FTE attorneys and 0.10 FTE investigators allows for the singling out of significant narcotics sources and offenders for intensive investigation and prosecution.

The staff in the District Attorney's Office assigned to this Project will handle all levels of drug dealers, ranging from street level to major vendors, and will target probationers who are continuing to involve themselves in drug trade. The Project will seek to dispose of cases at the earliest possible stage and to obtain the most appropriate sentence for offenders.

Project Budget:	<u>Personnel</u>	<u>FTEs</u>	<u>Salaries</u>
	8182 Head Attorney	0.07	\$ 7,388
	8180 Principal Attorney	0.40	39,646
	8180 Principal Attorneys	2.00	196,272
	8146 Investigator	0.05	2,551
	8132 Assistant Investigator	<u>0.05</u>	<u>1,856</u>
	Subtotal Salaries	2.57	\$247,713
	Fringe Benefits (25%)		62,150
	Travel (OCJP Requirement)		1,100
	Indirect Costs		16,541
	Audit Costs		<u>3,308</u>
	Total Project Costs		\$330,812

Required Match: None

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Indirect Costs: \$16,541 or 5 percent of grant amount of \$330,812

- Comments:**
1. Mr. Robert Ring of the District Attorney's Office reports that if the State grant of \$330,812 is reduced or terminated, the result would be a reduction of staff.
 2. The District Attorney's Office has completed a Disability Access Checklist, which is in the file. The District Attorney's Office has indicated on the checklist in Item 11 that the project staff is in need of disability awareness training.
 3. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Finance Committee, as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation	130-92-4	\$188,400
District Attorney *	138-92-4	330,812
Police	143-92-2	137,962
Sheriff	152-92-2	<u>84,558</u>
Total		\$741,732

* The subject of the proposed resolution.

4. It is possible that if additional funds are made available by the State Office of Criminal Justice Planning, this grant could be augmented at a later date. According to the Mayor's Office, such additional funds would be used to extend the grant period. Because the State may need to appropriate these funds quickly, a delay may result in loss to the City of those additional funds. Therefore, the proposed resolution contains the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. If approved, the District Attorney would not have to request approval of the Board of Supervisors to apply for, accept and expend any future augmentations to this grant. The Budget Analyst believes that approval of the proposed resolution, regarding the phrase "including any extensions or amendments thereof," is a policy matter for the Board of Supervisors.

5. The application deadline for this grant was June 9, 1992. Therefore, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for the proposed grant, since the District Attorney's Office has already applied for this grant. Mr. Ring advises that at the time of this writing, the District Attorney's Office has not

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been notified as to the exact amount of the proposed State grant.

6. Attached is a copy of the Summary of Grant Request form, as completed by the District Attorney's Office.

7. The \$330,812 includes indirect costs of \$16,541 in the grant budget. Since the indirect costs were not mentioned in the title of the proposed resolution and the specific amount of indirect costs was not noted in the body of the proposed resolution, the proposed resolution should be amended to include indirect costs of \$16,541 in both the title and the body of the proposed resolution.

Recommendation: 1. Amend the proposed resolution to retroactively authorize the District Attorney's Office to apply for the proposed grant and to include indirect costs of \$16,541 in both the title and the body of the proposed legislation.

2. In accordance with Comment No. 4 above, we consider approval of the proposed resolution to be a policy matter for the Board of Supervisors.

Grantor OFFICE OF CRIMINAL JUSTICE PLANNINGDivision District AttorneyContact Person John IsaacsonSection Narcotics UnitAddress 1130 K Street
Sacramento, CaliforniaContact Person Robert RingTelephone 553-1456Amount Requested \$ 330,812Application Deadline June 9, 1992Term: From 7/1/92 To 6/30/93

Notification Expected _____

Health Commission _____

Board of Supervisors: Finance Committee _____

Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$330,812 from the period of 7/1/92 to 6/30/93 to provide San Francisco Drug Abatement Program _____ services.

(Circle appropriate words)

II. Summary: (Summary; brief abstract; outline - groups, trends, services and priorities)

The District Attorney's Drug Abatement Program will provide 3 experienced prosecutors to handle all levels of drug dealers from street level to major vendor. Additionally, the program will target probationers who continue involvement in the drug trade:

III. Outcomes/Objectives:

The program will be used to dispose of cases at the earliest possible stage and obtain the most appropriate sentence for each offender.

IV. Effects of Reduction or Termination of These Funds:

A reduction or termination of these funds would devastate the Narcotics prosecution unit and would adversely offset the ability to handle these target offenders.

V. Financial Information:

	6 Mo. Grant Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	178,189	300,206	330,812	+30,606		
Personnel	166,398	281,094	309,863	+28,769		
Equipment	0	0	0	0		
*Contract Svc.	0	0	0	0		
Mat. & Supp.	0	0	0	0		
Facilities/Space	0	0	0	0		
Other	2,882	4,102	4,408	+ 306		
Indirect Costs	8,909	15,010	16,541	+ 1,531		

VI. Data Processing

(same indicated above)

VII. Personnel

	3	2	2	None
P/T CSC	3*	4*	4*	None
Contractual	N/A	N/A	N/A	N/A

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
Positions at varying percentages - balance paid by the District Attorney
General Fund.

Will grant funded employees be retained after this grant terminates? If so, How?

Grant funded employees will be retained contingent upon continued source of funds available.

*VIII. Contractual Services: Open Bid N/A Sole Source N/A (If sole source, attach Request for Proposal or RFP)

Item 10 - File 143-92-2

Department: Police Department

Item: Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend continuation Federal grant funds in the amount of \$137,962 made available through the Office of Criminal Justice Planning.

Amount: \$137,962

Source of Funds: Federal funds through the California Office of Criminal Justice Planning (OCJP).

Grant Period: July 1, 1992 through June 30, 1993

Project Title: San Francisco Police Department's Drug Abatement Project

Description: The proposed grant will be used by the Police Department primarily to (1) target street drug dealers and (2) coordinate efforts with the District Attorney and the Adult Probation Department to target certain probationers suspected of being involved in narcotics operations. The Police Department's goal with respect to street drug dealers would be to disrupt the dealers daily operations by conducting high visibility "Buy/Bust Operations" (the purchase of drugs followed by the immediate arrest of the drug dealer) and "Buy Programs" (drug purchases) which permit the Department to serve arrest and/or search warrants in high numbers. The areas to be targeted would include the Tenderloin, the Potrero District, the Western Addition, the Ocean View District, the Mission District and the City's parks.

Grant Budget:

Personnel

8260 Criminalist (1.0 FTE)	\$44,530	
Q50 Sergeant (.25 FTE)	13,387	
Fringe Benefits	<u>2,600</u>	
Subtotal		\$60,517

Overtime

1,708 hours @ \$35 per hour	59,780
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Operating Expenses

Travel	\$1,550	
Audit	1,500	
Equipment	3,957	
Confidential Informant Funds	<u>3,760</u>	
Subtotal		10,767

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Indirect Costs \$ 6,898

Total \$137,962

Required Match: None

Indirect Costs: \$6,898 (5% of total grant)

Comments:

1. The proposed grant amount of \$137,962 is \$12,531 or 10 percent more than the 1991-92 grant amount of \$125,431.
2. The Police Department advises that if grant funds are terminated or reduced, grant personnel will be terminated or reduced accordingly.
3. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Finance Committee of July 8, 1992, as follows:

	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation	130-92-4	\$188,400
District Attorney	138-92-4	330,812
Police Department*	143-92-3	137,962
Sheriff	152-92-2	<u>84,558</u>
Total		\$741,732

*Subject of the proposed resolution.

4. Sergeant John Hallisy of the Police Department reports that the \$59,780 in overtime costs is required to implement this project because the Police personnel needed to perform the "Buy/Bust" operations and "Buy Programs" do not have sufficient time to perform these activities in conjunction with their regular shift assignments. The \$59,780 would pay for 4 hours of overtime each for seven Police Officers (three undercover and four uniform) for 61 days.

5. It is possible that if additional funds are made available by the State Office of Criminal Justice Planning, this grant could be augmented at a later date. According to the Mayor's Office, such additional funds would be used to extend the grant period. Because the State may need to appropriate these funds quickly, a delay may result in loss to the City of those additional fines. Therefore, the proposed resolution contains in the body of the legislation, the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. If approved, the Police

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Department would not have to request approval of the Board of Supervisors to apply for, accept and expend any future augmentation to this grant. As such, the Budget Analyst believes that approval of the proposed legislation is a policy matter for the Board of Supervisors.

6. The application deadline for this grant is June 9, 1992. Therefore, the proposed resolution should be amended to authorize the Department to apply for the proposed grant retroactively.

7. Reference to indirect costs in the amount of \$6,898 is included in the body of the legislation but not in the title of the legislation. Therefore, the proposed legislation should be amended to reference indirect costs in the amount of \$6,898 in the title of the legislation.

8. Attached is the "Summary of Grant Request", as prepared by the Police Department, for the proposed grant.

9. A Disability Access Checklist has been prepared by the Department and is included in the file.

Recommendation: Approval of the proposed resolution, which includes authorization of any extensions or amendments without subsequent approval by the Board of Supervisors, is a policy matter for the Board of Supervisors. Should the Board of Supervisors approve the proposed legislation, it should be amended (1) to authorize the Department to apply for the proposed grant retroactively and (2) to reference indirect costs in the amount of \$6,898 in the title of the proposed legislation.

Item No. _____ - Summary of Grant Request

Grantor OFFICE OF CRIMINAL JUSTICE PLANNING

Div/Section SAN FRANCISCO POLICE DEPT
NARCOTICS BUREAU

Contact Person JOHN ISSACSON

Section SGT JOHN HALLISY

Address 1130 K ST., SUITE 300
SACRAMENTO, CA 95814

Contact Person 415 553 7970

Telephone

Amount Requested \$137,962

Application Deadline JUNE 9, 1992

Term: From 7/1/92 To 6/30/93

Notification Expected _____

Board of Supervisors: Finance Committee _____
Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$137,962 from the period of 7/1/92 to 6/30/93 to provide SPECIAL ENFORCEMENT OPERATIONS services.

(Circle appropriate words)

II. Summary: (Concise history, need addressed, number & groups served, services and providers)
TARGET STREET DEALERS AND FOCUS ON BUY PROGRAMS, BUY/BUSTS AND BE INVOLVED IN A "POSSE PLAN WITH THE DA AND THE PROBATION DEPT. TO TARGET PROBATIONERS.

III. Outcomes/Objectives:
IMPACT WILL BE TO ARREST STREET DEALERS AND ASSIST EACH NEIGHBORHOOD IN TRYING TO DISRUPT THE NARCOTICS ACTIVITY IN THEIR AREA.

IV. Effects of Reduction or Termination of These Funds:
TERMINATION OR REDUCTION OF THESE FUNDS WILL SIGNIFICANTLY IMPACT THE OPERATION OF THIS PROJECT

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Reg. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	\$74,450	\$125,431	\$137,962	+\$12,531	N/A	
Personnel	\$69,585	\$113,299	\$117,697.50	+\$4,398.50		
Equipment	0	0	\$3,700	+\$3,700		
*Contract Svc.	0	0	0	0		
Mat. & Supp.	0	0	0	0		
Facilities/Space	0	0	0	0		
Other AUDIT	\$ 742	\$ 1,500	\$ 1,500	0		
Indirect Costs	\$ 3,460	\$ 6,272	\$ 6,898	+\$ 626		
TRAVEL	\$ 633	\$ 1,360	\$ 1,550	+\$ 190		

VI. Data Processing

(costs included above)

N/A

VII. Personnel

F/T CSC	3	2	1		
P/T CSC	0	0	1		
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

SAN FRANCISCO POLICE DEPT

Will grant funded employees be retained after this grant terminates? If so, How?
CONTINGENT ON AVAILABILITY OF FUNDING

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if sole source, attach Request for Proposals Form)

Item 1p - File 146-92-41

Department: AIDS Office
Department of Public Health

Item: Resolution authorizing the Department of Public Health, AIDS Office, to apply for a continuation grant of \$1,794,405, which includes indirect costs in the amount of \$207,155, based on 20 percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the Epidemiological Study of the Natural History of HIV/AIDS in Homosexual/Bisexual Men Previously Enrolled in Studies of Hepatitis B Infection for the residents of San Francisco.

Grant Amount: \$1,794,405

Grant Period: November 1, 1992 to October 31, 1993

Source of Funds: U.S. Department of Health and Human Services
Centers for Disease Control (CDC)

Project: Epidemiological Study of the Natural History of HIV/AIDS in Homosexual/Bisexual Men Previously Enrolled in Studies of Hepatitis B Infection.

Description: The proposed continuation grant would fund further epidemiological investigations into the natural history of the HIV virus and AIDS infection, based on a group of homosexual and bisexual men who were enrolled between 1978 and 1980 in studies of the incidence and prevention of Hepatitis B. Because blood samples from these 6,705 individuals were extracted between 1978 and 1980, near the onset of the HIV epidemic, the study group has provided a unique opportunity to investigate the natural history of HIV infection, including rates of infection and transmission, behavioral and biological risk factors, the progress of disease, the relationship of HIV to other infectious agents, and related research subjects. According to the Department of Public Health, the investigations which would be funded by the grant would significantly add to knowledge concerning HIV infection and AIDS, and would suggest possible new avenues for research, prevention, and treatment.

Budget: The Department of Public Health reports that the proposed budget is in development, and will be submitted in connection with a request for authorization to accept and expend the proposed grant funds.

Required Match: None.

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**No. of Persons
Served:**

Persons with HIV and others affected by the epidemic.

Indirect Costs:

\$207,155, based on 20 percent of estimated personnel costs.

Comments:

1. The AIDS Office has also recently received CDC approval of supplemental funds in the amount of \$420,851 to finance a new activity, the HIV Incidence in Homosexual and Bisexual Males Research Project, which will augment the existing research activities of the project described above. A request to accept and expend the supplemental funding of \$420,851 for the current year has also been submitted (see Item 1r - File No. 146-92-44 of this report to the Finance Committee).

2. The Summary of Grant Request submitted by the Department of Public Health is attached.

Recommendation: Approve the proposed resolution.

Department of Health and Human Services
 for Centers for Disease Control
 Contact Person Russ Clapp/Scott Holmberg
 Address 1600 Clifton Road
Atlanta, GA 30333
 Amount Requested \$ 1,794,405
 From 11/1/92 To 10/31/93
 Health Commission 6/16/92 Board of Supervisors: Finance Committee _____
 Full Board _____

Division CO/AIDS Div
 Section AIDS Office
 Contact Person Tim Piland
 Telephone 554-9132
 Application Deadline 7/17/92
 Notification Expected 10/1/92

Item Description: Request to (apply for) ~~(accept and expend)~~ a ~~(new)~~ (continuation) (allocation) ~~(supplement)~~ grant in the amount of \$ 1,794,405 from the period of 11/1/92 to 10/31/93 to provide Epi Study of Natural History of HIV/AIDS in Homosexual and Bisexual Men Previously Enrolled in Hepatitis B Infection Studies.
 Summary: (Consent/History; need addressed; number + groups served; services and providers)
 Please see attachments.

Outcomes/Objectives:
 Please see attachments.

Effects of Reduction or Termination of These Funds:
 Failure to apply for these funds would jeopardize San Francisco's ability to attract federal AIDS research funding.

Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	<u>2,197,996</u>	<u>2,052,128</u>	<u>1,794,405</u>			
Personnel	<u>1,381,986</u>	<u>1,472,565</u>				
Equipment	<u>9,200</u>	<u>17,084</u>				
Contract Svc.	<u>330,813</u>	<u>59,750</u>				
Travel & Supp.	<u>31,800</u>	<u>56,555</u>				
Fees/Utilities/Space	<u>81,426</u>	<u>75,418</u>				
Other	<u>138,520</u>	<u>137,015</u>				
Direct Costs	<u>224,251</u>	<u>233,741</u>				
Data Processing						
(not included above)	<u>4,500</u>	<u>9,150</u>				
Personnel						
CSC	<u>25.00</u>	<u>21.55</u>				
CSC						
Contractual						

Use(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

Contractual Services; Open Bid renewal of Sole Source _____ (Please check applicable boxes)
 RFP #032-89

Item 1q - File 146-92-43

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a supplemental grant of \$39,501 from the Health Resources and Services Administration to augment the Ryan White Comprehensive AIDS Resources Emergency (CARE/Title I Formula) Disaster Relief Grant; waiving indirect costs and providing for ratification of action previously taken.

Grant Amount: \$39,501

Grant Period: February 1, 1992 through January 31, 1993

Source of Funds: Federal Ryan White Comprehensive AIDS Resources Emergency (CARE/Title I Formula) Disaster Relief Grant

Project: AIDS Disaster Relief Assistance

Description: The Ryan White CARE/Title I Formula Grant provides disaster relief assistance to localities that are disproportionately affected by the AIDS epidemic. As one of those localities, the Department of Public Health (DPH) has applied for and received, pursuant to previous resolutions approved by the Board of Supervisors (File Nos. 146-91-86 and 146-92-14), \$8,309,963 in grant funds for the period February 1, 1992 through January 31, 1993. The acceptance and expenditure by DPH of \$8,309,963 was approved by the Board of Supervisors on March 27, 1992 by Resolution No. 223-92.

DPH reports that the actual grant award is \$8,349,464, which is \$39,501 more than the amount authorized by Resolution No. 223-92. The proposed resolution would authorize DPH to accept and expend retroactively the additional funds in the amount of \$39,501.

The allocation of CARE funding is determined by the HIV Health Services Planning Council, whose members are appointed by the Mayor. The Planning Council has endorsed the allocation of the additional \$39,501 to the Volunteer Legal Services Program of the Bar Association of San Francisco, to provide legal services to low-income, HIV-positive immigrants and refugees residing in San Francisco.

Budget:	<u>Contractual Services</u>	
	Bar Association of San Francisco	\$37,525
	<u>Administrative Costs</u>	
	Telecommunications	<u>1,976</u>
	Total	\$39,501

Required Match: None

No. of Persons Served: The funds will permit staff and volunteers at the Bar Association to provide 4,433 hours of legal consultations.

Indirect Costs: Indirect costs are not allowed under the CARE legislation. Therefore, the proposed resolution would specifically waive indirect costs. However, the grantor would permit 5 percent of the total grant award, or \$1,976, to be applied to the City's administrative costs (see Comment No. 2).

Comments:

1. DPH has already incurred costs associated with the CARE grant for the period February 1, 1992 through January 31, 1993. In addition, DPH reports that CARE funds must be expended in a timely fashion, and that expenses may be incurred against this proposed supplemental grant prior to approval by the Board of Supervisors. Therefore, the proposed resolution provides for ratification of actions previously taken.
2. As noted above, 5 percent of the grant amount, or \$1,976, is budgeted for administrative costs. DPH reports that these funds would be used to offset DPH costs for telephone charges. Significant telephone charges are expected because DPH will have primary responsibility for coordinating data management at study sites in three cities, and will transmit large amounts of data to CDC mainframe computers using computer modems attached to telephone lines.
3. DPH has submitted Disability Access Checklists for the AIDS Office and the Volunteer Legal Service Program of the Bar Association of San Francisco.
4. The Summary of Grant Request submitted by DPH is attached.

Recommendation: Approve the proposed resolution.

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Health Resources and Services Administration		Division	<u>CO/AIDS Div</u>
<u>Health and Human Services</u>		Section	<u>AIDS Office</u>
for	Person <u>Libby Hartnett</u>	Contact Person	<u>Tim Piland</u>
Address	<u>HRSA; 5600 Fishers Lane</u>	Telephone	<u>554-9132</u>
	<u>Rockville, MD 20857</u>	Application Deadline	<u>n/a</u>
Amount Requested	\$ <u>\$39,501</u>	Notification Expected	<u>n/a</u>
Term: From	<u>2/1/92</u>	To	<u>1/31/93</u>
Health Commission	<u>6/2/92</u>	Board of Supervisors: Finance Committee	_____
		Full Board	_____

I. Item Description: Request to apply for (accept and expend) a (new) temporary allocation (augmentation to a grant in the amount of \$ 39,501 from the period of 2/1/92 to 1/31/93 to provide supplemental funding to Ryan White Comprehensive AIDS services.
Resources Emergency (CARE/Title I Formula) Disaster Relief Grant
 (Circle appropriate words)

II. Summary: (Circle activity; need addressed; number + groups served; services and providers)
 These funds will be used to provide AIDS/HIV legal services to low-income, HIV+ immigrants and refugees residing in San Francisco and to enhance administrative telecommunication costs. Please see next page for a brief explanation of the funding mechanism.

III. Outcomes/Objectives:
 These funds will provide 4,433 hours of volunteer or staff hours of legal consultation to low-income, HIV+ immigrants or refugees residing in San Francisco.

IV. Effects of Reduction or Termination of These Funds:
 Failure to accept and expend funds will impair the AIDS Office's ability to address the need stated above.

V. Financial Information:

	<u>Col. A</u> Two Years Ago	<u>Col. B</u> Past Year/Orig.	<u>Col. C</u> Proposed	<u>Col. D</u> Change	<u>Req. Match</u>	<u>Approved by</u>
Grant Amount	<u>6,393,866</u>	<u>8,309,963</u>	<u>8,349,464</u>	<u>+ 39,501</u>	<u>none</u>	_____
Personnel	<u>266,547</u>	<u>352,892</u>	<u>352,892</u>	_____	_____	_____
Equipment	<u>22,300</u>	<u>13,500</u>	<u>13,500</u>	_____	_____	_____
Contract Svc.	<u>6,074,173</u>	<u>7,894,465</u>	<u>7,931,990</u>	<u>+ 37,525</u>	_____	_____
Mat. & Supp.	<u>1,003</u>	<u>2,000</u>	<u>2,000</u>	_____	_____	_____
Facilities/Space	<u>12,768</u>	<u>19,000</u>	<u>19,000</u>	_____	_____	_____
Telecommunication	<u>17,075</u>	<u>28,106</u>	<u>30,082</u>	<u>+ 1,976</u>	_____	_____
Indirect Costs	_____	_____	_____	_____	_____	_____

VI. Data Processing

(costs included above) 22,300 13,500 13,500 _____ _____

VII. Personnel

F/T CSC	<u>5.0</u>	<u>6.60</u>	<u>6.60</u>	_____	_____
P/T CSC	_____	_____	_____	_____	_____
Contractual	_____	_____	_____	_____	_____

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None.

Will grant funded employees be retained after this grant terminates? If so, How?
No.

*VIII. Contractual Services: Open Bid X Sole Source _____ (if sole source, attach Request for Exemption Form)
 #139-91

Item 1r - File 146-92-44

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a supplemental grant of \$420,851, which includes indirect costs in the amount of \$45,418, based on 20 percent of salaries, from the Centers for Disease Control, to fund the HIV Incidence in Homosexual/Bisexual Males Research Project; providing for ratification of actions previously taken.

Grant Amount: \$420,851

Grant Period: June 1, 1992 through October 31, 1992 (five months)

Source of Funds: U.S. Centers for Disease Control (CDC)

Project: HIV Incidence in Homosexual/Bisexual Males Research Project.

Description: The HIV Incidence in Homosexual/Bisexual Males Research Project is a proposed new activity of the existing Epidemiologic Study of the Natural History of HIV/AIDS in Homosexual and Bisexual Men sponsored by the CDC. A proposed companion resolution has been submitted (Item 1p - File No. 146-92-41 of this report) concerning continued funding for the existing Natural History of HIV/AIDS research project.

The proposed resolution would authorize the DPH to accept and expend retroactively grant funds in the amount of \$420,851 in order to estimate the number of homosexual and bisexual men at potential vaccine-trial recruitment sites who are HIV-negative but who are at high risk of HIV infection, and to examine issues which could affect clinical trials of potential vaccines. DPH has identified a number of recruitment sites for such a study population, including the City's Sexually Transmitted Disease (STD) Clinic, and an existing study group of individuals engaging in high-risk behavior.

According to DPH, the research project is not a clinical trial of potential vaccines, but an effort to obtain preliminary data on the feasibility of conducting such trials in San Francisco. The objectives of the project would be to determine the incidence of HIV infection among patients at the STD Clinic and Health Center No. 1, to study the relationship of specific biological and behavioral factors to infection with HIV, to evaluate the potential for recruitment of clients at the health clinics in

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future trials of HIV vaccine, and to identify cultural, psychological, or social factors that may enhance or discourage enrollment and participation in vaccine trials.

DPH previously submitted an application for grant funding for this project in the amount of \$820,000, pursuant to Board of Supervisors Resolution No. 306-92, approved on April 24, 1992. Funding in the amount of \$420,851 has been awarded by the Centers for Disease Control for the five-month period from June 1, 1992 through October 31, 1992.

The proposed research project would involve substantial testing, interviews, counseling, and individualized follow-up with participants. Information would be obtained concerning each participant's risk behaviors, substance use, STD history, interest in and reservations about prospective vaccine trials, and responses to psychosocial and cultural factors influencing behavioral change.

Antibody tests for HIV infection would be administered to participants and post-test counseling would be provided. This counseling would include discussion of risk avoidance, as well as appropriate referrals to health and social service agencies. Group workshops would also be provided. In order to enhance the retention of participants in the study group, participants would receive stipends for each interview at which they appear. Focus groups and advisory panels would be created to advise the research staff of community concerns and other issues, including cultural issues which could affect participation in vaccine trials by members of minority groups.

<u>Budget:</u>	<u>Personnel*</u>	<u>FTE</u>	<u>Amount</u>
	2232 Physician Specialist	1.0	\$37,818
	2804 Epidemiologist III	1.0	24,447
	1874 Sr. Programmer Analyst	1.0	22,738
	2810 Principal Disease Control Investigator	1.0	20,879
	2808 Sr. Disease Control Investigator	1.0	18,608
	2806 Disease Control Investigators	3.0	60,579
	1426 Secretary II	1.0	14,583
	1426 Senior Clerk Typist	1.0	14,583
	1807 Management Information Systems Technician	1.0	12,137
	2930 Psychiatric Social Worker	<u>0.04</u>	<u>718</u>
	Subtotal	11.04	\$227,090

* Includes 1 month at 1991-92 salary level and 4 months at 1992-93 salary level for the period June 1, 1992 to October 31, 1992.

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<u>Fringe Benefits @ 26 percent</u>		\$59,043
<u>Travel</u>		
Local	\$1,050	
Atlanta, Georgia	<u>5,000</u>	
Subtotal		6,050
<u>Equipment</u>		
Computer Equipment for the STD Clinic	9,150	
Computer Manuals	<u>250</u>	
		9,400
<u>Materials and Supplies</u>		
Office Supplies	2,225	
Filing Cabinets	1,400	
Telephone answering machine	250	
Clinic Supplies	2,950	
Educational Supplies	1,850	
Laboratory Supplies and Tests	<u>16,500</u>	
Subtotal		25,175
<u>Rent Support</u>		
25 Van Ness Avenue	8,820	
356 Seventh Street	<u>6,075</u>	
Subtotal		14,895
<u>Telephone Support</u>		
Local	4,170	
Long Distance	<u>1,650</u>	
Subtotal		5,820
<u>Postage and Courier Services</u>		1,460
<u>Photocopying/Reproduction/Slide Reproduction</u>		3,000
<u>Promotional Costs</u>		2,175
<u>Staff Training</u>		1,600
<u>Focus Groups and Client Incentives</u>		<u>19,725</u>
Total Direct Costs		\$375,433
Indirect Costs @ 20 percent of salaries		<u>45,418</u>
Total Grant Amount		\$420,851

Required Match: None.

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Indirect Costs: \$45,418 based on 20 percent of salaries.

- Comments:**
1. DPH reports that expenses will have been incurred against the proposed grant, prior to approval by the Board of Supervisors for acceptance and expenditure of these funds, because the proposed resolution was not submitted in a timely manner, due to a death in the family of the AIDS Office Grants Manager. The proposed resolution therefore would provide for ratification of actions previously taken.
 2. The proposed grant budget includes \$9,150 for microcomputers and software for the STD Clinic, as well as \$250 for computer manuals. The proposed computer equipment purchases have been reviewed and approved by the Electronic Information Processing Steering Committee.
 3. A Disability Access Checklist has been submitted for the AIDS Office of the Department of Public Health. Disability Access Checklists are on file for the STD Clinic and Health Center No. 1.
 4. The Summary of Grant Request submitted by the Department of Public Health is attached.

Recommendation: Approve the proposed resolution.

Grantor Centers for Disease Control
 Contact Person Russ Clapp/Scott Holmberg
 Address CDC Atlanta GA 30333
(404) 842-6640
 Amount Requested \$ 420,851
 Term: From 6/1/92 To 10/31/92
 Health Commission 6/2/92 Board of Supervisors: Finance Committee _____
 Full Board _____

Division CO/AIDS Div
 Section AIDS Office
 Contact Person Tim Piland
 Telephone 554-9132
 Application Deadline 5/15/92
 Notification Expected 6/1/92

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuing) (renewal) (augmentation to a)
 (Circle appropriate words) grant in the amount of \$420,851 from the period of 6/1/92 to 10/31/92
to provide HIV Incidence in Homosexual/Bisexual Males Research Project serv.
(supplemental to Epi Study of Natural History of HIV/AIDS in Homosexual/Bisexual Men)
 II. Summary: (Concise summary of project, including objectives, methods, results and conclusions)
Please see attachment.

III. Outcomes/Objectives:
Please see attachment.

IV. Effects of Reduction or Termination of These Funds:
Failure to accept and expend these funds may jeopardize San Francisco's ability to
attract federal AIDS research funding and, in particular, prevent participation in
future vaccine trials.

V. Financial Information:

	<u>Col. A</u> <u>Two Years Ago</u>	<u>Col. B</u> <u>Past Year/Orig.</u>	<u>Col. C</u> <u>Proposed</u>	<u>Col. D</u> <u>Change</u>	<u>Req. Match</u>	<u>Approved by</u>
<u>Grant Amount</u>		<u>1,631,277</u>	<u>2,052,128</u>	<u>420,851</u>		
<u>Personnel</u>		<u>1,186,432</u>	<u>1,472,565</u>	<u>286,133</u>		
<u>Equipment</u>		<u>7,934</u>	<u>17,084</u>	<u>9,150</u>		
<u>Contract Svc.</u>		<u>59,750</u>	<u>59,750</u>	<u>0</u>		
<u>Mat. & Supp.</u>		<u>31,380</u>	<u>56,555</u>	<u>25,175</u>		
<u>Facilities/Space</u>		<u>60,523</u>	<u>75,418</u>	<u>14,895</u>		
<u>Other</u>		<u>96,935</u>	<u>137,015</u>	<u>40,080</u>		
<u>Indirect Costs</u>		<u>188,323</u>	<u>233,741</u>	<u>45,418</u>		

VI. Data Processing
 (was included above) _____ 9,150 9,150

VII. Personnel
 F/T CSC _____ 21.55 _____ approx 11.5 for five months
 P/T CSC _____ _____ _____
 Contractual _____ _____ _____

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None.

Will grant funded employees be retained after this grant terminates? If so, How?
No.

VIII. Contractual Services: Open Bid none Sole Source none (if sole source, attach Request for Information)

Items 1s and 1t - Files 146-92-45 and 146-92-46

Department: Department of Public Health (DPH),
Community Public Health (CPH)

Items: Resolution (File 146-92-45) authorizing the adoption of the
1992-94 Comprehensive Tobacco Control Plan and Budget and
supplemental perinatal outreach plan.

Resolution (File 146-92-46) authorizing the Department of
Public Health, to accept and expend a State grant allocation,
which will include indirect costs equal to 13 percent of
personnel costs, from the State Department of Health
Services, provided that the Department of Public Health
expends the funds consistent with the 1992-94 Comprehensive
Tobacco Control Plan and Budget, and the supplemental
perinatal outreach plan and budget.

Amount: \$2,127,666

Source of Funds: State Department of Health Services Tobacco Tax (AB 99)
monies administered by the Tobacco Control Section and the
Maternal and Child Division (Perinatal Outreach Activities).

Term of Allocation: January 1, 1992 to June 30, 1994 (See Comment #1)

Project: Tobacco Control Plan (AB 99)

Description: In January of 1991, the Board of Supervisors authorized the
DPH to apply for, accept and expend \$1,595,327 in grant funds
for Phase III of the Tobacco Control Plan, for the period
January 1, 1992 to December 31, 1992. Phase III involves the
implementation of a Comprehensive Community Tobacco
Intervention Program. This Program is aimed at
supplementing existing City and community-based services
to target local tobacco control programs to the populations
identified by State, including out-of-school youths, pregnant
women, and women with young children and minorities.
Additionally, the Program emphasizes tobacco use
prevention, discontinuance of tobacco by current and
relapsing smokers, and increasing compliance with existing
ordinances controlling tobacco use in public facilities, the
worksite and eating establishments. The proposed \$2,127,666
would be used by DPH to extend the Comprehensive
Community Tobacco Intervention Program (Phase III),
which expires on December 31, 1992 through June 30, 1994.
The Department advises that the extended program would
continue to be based on program services, policy and media
activities aimed at the reduction of tobacco use. Perinatal
Outreach Activities would also be provided with the proposed

AB 99 monies to fund tobacco control outreach activities to perinatal providers, who provide care during the late stages of pregnancy and early stages of infancy.

Local Match: None

Indirect Costs: A total of \$127,932 in indirect costs, consisting of \$107,402 or 15 percent of total Personnel, including fringe benefits for the Comprehensive Tobacco Control Plan and \$20,530 or 10 percent of salaries for Perinatal Outreach Activities. The State Tobacco Control Section allows 15 percent of total personnel costs plus fringe benefits for indirect costs, and the Maternal and Child Division allows 10 percent of salaries only for indirect costs for Perinatal Outreach Activities (See Comment #3).

Project Budget:			Comprehensive	Perinatal
			<u>Tobacco</u>	<u>Outreach</u>
			<u>Control Plan</u>	<u>Activities</u>
<u>Personnel</u>				
	<u>FTE</u>			
Medical Social Worker	0.75	\$ --		\$13,008
Senior Health Educator	1.25	82,112		--
Senior Environmental Health Inspector	0.50	32,896		--
Mental Health Educator	0.85	40,175		--
Health Educator	2.25	125,764		--
Health Worker III	1.50	35,432		16,156
Medical Specialist	0.20	16,149		--
Assistant Health Educator	4.00	28,287		92,434
Health Worker II	0.40	12,760		--
Secretary I	2.25	42,460		45,974
Clerk Typist	0.10	1,833		--
Senior Clerk Typist	1.13	40,460		--
Senior Accountant	0.56	30,691		--
Registered Nurse	0.20	9,257		--
Contracts Compliance Officer	0.56	25,890		--
Outreach/Health Program Coordinator	2.13	61,383		37,720
Total Salaries	18.63	\$585,549		\$205,292
Fringe Benefits		<u>130,464</u>		<u>57,480</u>
Total Personnel		\$ 716,013		\$262,772

	<u>Comprehensive Tobacco Control Plan</u>	<u>Perinatal Outreach Activities</u>
<u>Indirect Costs</u> (15 percent of Personnel, including fringe benefits for the Comprehensive Tobacco Control Plan and 10 percent of salaries for Perinatal Outreach Activities)	\$ 107,402	\$20,530
<u>General Expenses</u> Includes general office supplies, telephones, postage, printing and duplicating	29,250	8,850
<u>Rent</u> Rental of existing office space at 1540 Market Street	43,432	14,860
<u>Equipment Rental</u> Lease of copier	1,200	--
<u>Travel</u> Local travel consistent with State guidelines	8,398	1,350
<u>Training</u> Training per State guidelines and for Youth Peer Training Program	7,389	2,363
<u>Educational Materials</u> Includes educational games, pamphlets, posters, videos and incentives for youth serving clinics, and for health promoters training project	15,800	2,450
<u>Media/Promotions</u> Promotions for the Cinco de Mayo Festival, and promotional items such as pens, magnets, bags, balloons	8,000	1,950
<u>Contractual Services</u>	470,444	393,387

	Comprehensive Tobacco Control Plan	Perinatal Outreach Activities
<u>Other Expenses</u>	\$ <u>11,826</u>	\$ <u> --</u>
Includes honoraria for focus groups, health promoters, typesetting and artwork		
<u>Subtotal</u>	<u>\$1,419,154</u>	<u>\$708,512</u>
Total Project Budget		\$2,127,666

Comments:

1. AB 99 requires that the State begin allocating Tobacco Tax monies to local jurisdictions prospectively (prior to the provision of services), on a quarterly basis, as opposed to disbursing these monies on a cost reimbursement basis. Therefore, although the proposed grant period began on January 1, 1992, because the DPH has not yet expended any of these funds, the proposed resolution does not have to be amended to authorize the DPH to expend any of these funds on a retroactive basis. The DPH did not have to apply for the proposed AB 99 allocation.

2. The Board of Supervisors previously authorized the DPH to accept the proposed grant funds (File 146-91-84), but did not authorize the DPH to apply for and expend these funds until the DPH formulated its Tobacco Control Budget and Plan. The proposed resolutions (Files 146-92-45 and 142-92-46) would provide the Board of Supervisors with the DPH's Tobacco Control Budget and Plan for its consideration. However, the Board of Supervisors previously authorized the DPH to accept an allocation in the amount of \$1,063,009 (File 146-91-84), and as noted above, the proposed grant funds are in the amount of \$2,127,666. This increased allocation of \$1,064,657 (\$2,127,666 less \$1,063,009) to the DPH is a result of extending the allocation through June 30, 1994 and as a result of an amendment to State law to require that at least one third of the health education tobacco tax funds be allocated to local health jurisdictions to be used for perinatal outreach services.

3. The proposed resolution specifies that 13 percent of personnel costs would be used for indirect costs. However, as noted above, a total of \$127,932 in indirect costs, consisting of \$107,402 or 15 percent of total Personnel including fringe benefits for the Comprehensive Tobacco Control Plan and \$20,530 or 10 percent of salaries for Perinatal Outreach Activities is included in the proposed grant funds. Therefore, the proposed resolution (File 146-92-46) should be amended to

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indicate that indirect costs totalling \$127,932 are included in the proposed grant funds, consisting of the amount of \$107,402 or 15 percent of total Personnel including fringe benefits for the Comprehensive Tobacco Control Plan, and \$20,530 or 10 percent of salaries for Perinatal Outreach Activities.

4. Ms. Alyonik Hrushow of the DPH reports that the proposed Comprehensive Tobacco Control Plan, which the proposed resolution would adopt (File 146-92-45), would focus on institutionalization of interventions and policy activities, with the goal of creating a smoke free environment in San Francisco. These policy activities would be developed into a City-wide policy and media campaign that would be implemented through a contractor during the period of approximately August 1, 1992 through July 30, 1993. The proposed plan (File 146-92-45) was developed according to State guidelines which are based on the National Cancer Institute Planning Model for tobacco control. This national model focuses on three interventions, policy, media and program services. These interventions are to be delivered through a community network, community environment, healthcare providers, worksite and schools. Ms. Hrushow reports that an example of a policy activity would include education at the point of businesses with the goal of reducing tobacco sales to minors and point of purchase and outdoor advertising of tobacco products. In addition, Ms. Hrushow indicates that a workplan would be implemented by the State-mandated Tobacco Free Coalition, which includes the formation of a policy committee to advocate for smoke-free policies and a media committee. The Perinatal Outreach Activities program would encompass the above-outlined activities and be directed towards providers of perinatal services. Because the proposed Comprehensive Tobacco Control Plan includes policy activities for creating a smoke free environment in San Francisco, the Budget Analyst believes that approval of the proposed resolution (File 146-92-45) is a policy matter for the Board of Supervisors. However, given that the proposed resolution (File 146-92-46) would authorize the DPH to accept and expend an allocation which is consistent with the 1992-94 Comprehensive Tobacco Control Plan and Budget and supplemental perinatal outreach plan, if the Board of Supervisors approves this proposed resolution (File 146-92-46), then the proposed resolution (File 146-92-45), which would authorize the adoption of the 1992-94 Comprehensive Tobacco Control Plan and Budget and supplemental perinatal outreach plan should also be approved.

5. Although the DPH already has several existing contractors which provide services under Phase III of the Tobacco Control Plan, the additional services which would be provided through contractual services have not yet been identified. Therefore, a total of \$863,831 should be reserved for contractual services (consisting of \$470,444 under the Comprehensive Tobacco Control Plan and \$393,387 for the Perinatal Outreach Activities program) pending the identification of contracts, the MBE, WBE status of the contractors and finalized contract cost details.

6. Attached is a Summary of Grant Request, as prepared by DPH, for this proposed State allocation.

7. The DPH has prepared a Disability Access Checklist which is in the file.

- Recommendations:**
1. Because the proposed Comprehensive Tobacco Control Plan includes policy activities for creating a smoke free environment in San Francisco, approval of the proposed resolution (File 146-92-45) is a policy matter for the Board of Supervisors. However, if the Board of Supervisors approves the proposed resolution (File 146-92-46), which would authorize the DPH to accept and expend an allocation which is consistent with the 1992-94 Comprehensive Tobacco Control Plan and Budget and supplemental perinatal outreach plan, then the proposed resolution (File 146-92-45) should also be approved.
 2. Amend the proposed resolution (File 146-92-46) to indicate that indirect costs totalling \$127,932 are included in the proposed grant funds, consisting of \$107,402 or 15 percent of total Personnel including fringe benefits for the Comprehensive Tobacco Control Plan, and \$20,530 or 10 percent of total salaries for Perinatal Outreach Activities.
 3. Amend the proposed resolution (File 146-92-46) to reserve a total of \$863,831 for contractual services (consisting of \$470,444 under the Comprehensive Tobacco Control Plan and \$393,387 for the Perinatal Outreach Activities program) pending the identification of contracts, the MBE, WBE status of the contractors and finalized contract cost details.
 4. Approve the proposed resolution (File 146-92-46) as amended.

Grantor Calif. Dept. of Health Services
Contact Person Irene Reveles-Chase
Address California Dept. of Health Services
P.O. Box 942732, Sacramento, CA 95814

Division Public Health
Section Health Promotion
Contact Person Aivonik Hrushow
Telephone 554-9155

Amount Requested \$ 2,127,666
Term: From Jan 1, 1992 To June 30, 1994

Application Deadline June 30, 1992
Notification Expected August 15, 1992

Health Commission _____ Board of Supervisors: Finance Committee _____
Full Board _____

I. Item Description: Request to accept an additional allocation of \$1,064,657 and expend a total allocation in the amount of \$2,127,666 from the period of Jan 1, 1992 to June 30, 1994 to provide tobacco control and perinatal outreach services.

II. Summary (Concise summary of objectives, goals, purposes, services and programs)

This plan and budget incorporates the existing Tobacco Control Plan covering Jan.-Dec. 1992 and a new phase of the plan covering Jan. 1993 - June 1994. The new phase would provide tobacco control services through 5 channels of intervention following state guidelines: (1) health care system, (2) worksites, (3) schools, (4) community network and (5) community environment, i.e. changing social norms related to tobacco use, sale & promotion. The Supplemental Perinatal Outreach Plan will inform low income, predominantly minority women and their families about the importance of early and routine perinatal care.

III. Outcomes/Objectives:

Tobacco control objectives are 1) to institutionalize tobacco prevention and cessation services through the health care, worksite, school and community network channels and 2) to reduce promotion and sale of tobacco to minors through the community environment, e.g. by educating merchants. Perinatal objectives are 1) to develop a community-based site for information referral and assistance with medical applications and 2) improve perinatal outcomes.

IV. Effects of Reduction or Termination of These Funds:

Activities in proposed plan would not be implemented.

V. Financial Information:

	Col. A Two Years Ago	Col. B Fisc. Year/Orig.	Col. C Proposed	Col. D Change	Fisc. Match	Estimated
Grant Amount	1,603,952	1,595,327	2,127,666	532,339	0	
Personnel	641,790	652,914	978,785	325,871		
Equipment	1,635	29,795	0	29,795		
Contract Svc.	699,435	652,824	863,831	211,007		
Mat. & Supp.	63,749	61,872	81,337	19,465		
Facilities/Space	21,000	32,960	58,292	25,332		
Other	80,074	67,025	17,476	49,549		
Indirect Costs	96,269	97,937	127,945	30,008		

VI. Data Processing

(Leave in Proposed column)

14,606 7,701 0 7,701

VII. Personnel

F/T CSC	11	11	11	0	
P/T CSC	8	9	17	8	
Contractual	0	0	0	0	

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
Bureau of Environmental Health, State Mental Health Grant, SFGH, CPHS, FPPA

Will grant funded employees be retained after this grant terminates? If so, how?

No

VIII. Contractual Services: Open Bid ☒ Sole Source _____

PLEASE NOTE THAT ALL CONTRACTORS FOR THE JAN.-DEC. 1992 PERIOD HAVE BEEN CHOSEN AND APPROVED. THESE ARE THE CONTRACTORS FOR WHOM DISABILITY ACCESS CHECKLISTS HAVE BEEN COMPLETED. CONTRACTORS FOR THE JAN.-JUNE 1994 PERIOD WILL BE CHOSEN BY THE OPEN BID PROCESS.

Item 1u - File 152-92-2

Department: Sheriff

Item: Resolution authorizing the Sheriff of the City and County of San Francisco to apply for, accept and expend continuation State grant funds in the amount of \$84,558 made available through the Office of Criminal Justice Planning.

Amount: \$84,558

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Grant Period: July 1, 1992 through June 30, 1993

Project Title: San Francisco Sheriff's Drug Abatement Project

Description: The Sheriff's Drug Abatement Project, known as the Anti-Drug Abuse (ADA) Home Detention, confines prisoners in their residence except for periods when they are at work, traveling to and from work and other designated brief periods. Such prisoners have been convicted of drug use and/or the sale of small quantities of drugs. The prisoners' compliance with the in-home detention is verified by random phone calls to the prisoner's home and an electronic bracelet confirming the prisoner's presence in his or her home. ADA Home Detention participants report in person at least three times a week to an assigned Deputy Sheriff for urinalysis to detect drug/alcohol use. Each prisoner also receives mandatory counseling and evaluation for substance abuse.

**No. of Program
Participants:**

Grant Budget:	<u>Personnel</u>		
	8304 Deputy Sheriff (1.00 FTE)	\$43,576	
	8274 Sheriff's Cadet (.50 FTE)	19,779	
	Fringe Benefits	<u>14,000</u>	
	Subtotal		\$77,355
	<u>Operating Expenses</u>		
	Travel	\$1,550	
	Audit	<u>1,500</u>	
	Subtotal		3,050
	<u>Indirect Costs</u>		<u>4,153</u>
	Total		\$84,558

Required Match: None

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Indirect Costs: \$4,153 (4.9% of the total grant)

Comments:

1. The proposed grant amount of \$84,558 is \$8,089 or 10.6 percent more than the 1991-92 grant amount of \$76,469.
2. The Sheriff's Department advises that, contingent upon the identification of another source of funds, if grant funds are terminated or reduced, grant personnel will be terminated or reduced accordingly.
3. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Finance Committee of July 8, 1992, as follows:

	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation	130-92-4	\$188,400
District Attorney	138-92-4	330,812
Police Department	143-92-3	137,962
Sheriff*	152-92-2	<u>84,558</u>
		\$741,732

* Subject of the proposed resolution.

4. It is possible that if additional funds are made available by the State Office of Criminal Justice Planning, this grant could be augmented at a later date. According to the Mayor's Office, such additional funds would be used to extend the grant period. Because the State may need to appropriate these funds quickly, a delay may result in loss to the City of those additional fines. Therefore, the proposed resolution contains in the body of the legislation, the phrase "including any extensions or amendments thereof" so that the grant may be extended in a timely fashion. If approved, the Sheriff's Department would not have to request approval of the Board of Supervisors to apply for, accept and expend any future augmentation to this grant. As such, the Budget Analyst believes that approval of the proposed legislation is a policy matter for the Board of Supervisors.

5. The application deadline for this grant is June 9, 1992. Therefore, the proposed resolution should be amended to authorize the Department to apply for the proposed grant retroactively.

6. Reference to indirect costs in the amount of \$4,153 is included in the body of the legislation but not in the title of the legislation. Therefore the proposed legislation should be

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BUDGET ANALYST

amended to reference indirect costs in the amount of \$4,153 in the title of the legislation.

7. Attached is the "Summary of Grant Request", as prepared by the Sheriff's Department, for the proposed grant.

8. A Disability Access Checklist has been prepared by the Department and is included in the file.

Recommendation: Approval of the proposed resolution, which includes authorization of any extensions or amendments without subsequent approval by the Board of Supervisors, is a policy matter for the Board of Supervisors. Should the Board of Supervisors approve the proposed legislation, it should be amended (1) to authorize the Department to apply for the proposed grant retroactively and (2) to reference indirect costs in the amount of \$4,153 in the title of the proposed legislation.

No. _____

Summary of Grant Request

Rev. 5/10/90

Office of Criminal Justice Planning San Francisco Sheriff's De
 Division _____
 Grantor _____
 Contact Person Judy O'Neal _____
 Address 1130 K Street, Suite 300 _____
 Sacramento, CA 95814 _____
 Amount Requested \$84,558 _____
 Term: From 07/01/92 To 06/03/93 _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$84,558 from the period of 07/01/92 to 06/30/93 to provide _____ services.

II. Summary: (Circle activity, need statement, evaluator, groups served, services and providers)

See attached program description of Sheriff's
 Anti-Drug Abuse (ADA) Home Detention Program.

III. Outcomes/Objectives:

Reduction in recidivism of participants and reduction
 in jail overcrowding by freeing a daily average of 15 jail beds.

IV. Effects of Reduction or Termination of These Funds:

No program.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	0	76,469	84,558	+ 8,089		
Personnel	0	55,720	77,355	+ 24,914		
Equipment	0	0	0	0		
*Contract Svc.	0	0	0	0		
Mat. & Supp.	0	10,926	0	-10,926		
Facilities/Space	6	0	0	0		
Other	0	3,000	3,050	+ 50		
Indirect Costs	0	3,823	4,153	+ 330		

VI. Data Processing

(omit included above)

0 0 0 0

VII. Personnel

F/T CSC	0	2	2	+ .5
P/T CSC	0	0	0	0
Contractual	0	0	0	0

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Not applicable.

Will grant funded employees be retained after this grant terminates? If so, How?

Contingent on available funding.

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if sole source, attach Request for Proposals Form)

Item 1v - File 146-92-36

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the Department of Public Health to apply for, accept and expend a grant of \$99,534 from the Health Resources and Services Administration to fund the Field Test of the Uniform Reporting System Project; waiving indirect costs and providing ratification of action previously taken.

Grant Amount: \$99,534

Grant Period: June 1, 1992 to May 31, 1993

Source of Funds: Health Resources and Services Administration
Ryan White Comprehensive AIDS Resources Emergency (CARE) Disaster Relief funds

Project: Field Test of the Uniform Reporting System Project

Description: The proposed grant would fund a project to attempt to establish a more accurate and reliable system of tracking Comprehensive AIDS Resources Emergency (CARE)-funded units of service. The project would aim to avoid duplication and gaps in the provision of AIDS services.

Project Budget: The proposed grant would consist of \$4,740 for Telecommunications, which would include funds for a dedicated computer line, and \$94,794 for Contractual Services for a total of \$99,534. The proposed budget for Contractual Services would be as follows:

Personnel

Data Entry Operators		
(1,440 hours at \$12/hour)	\$17,280	
Fringe Benefits (25 percent)	<u>4,320</u>	
Total Personnel		\$21,600

Equipment

Computer Hardware	38,957	
Computer Software	<u>10,523</u>	
Total Equipment		49,480

<u>Consulting Services</u>		19,200
----------------------------	--	--------

<u>Contractor Indirect Costs</u>	<u>\$4,514</u>
Subtotal Contractual Services	\$94,794
Telecommunications	<u>4,740</u>
Total Grant	<u>\$99,534</u>

Required Match: None

Indirect Costs: None (Indirect costs are not allowed by the funder.)

Comments:

1. The DPH advises that the Department was notified of the availability of funds on April 14, 1992. The application deadline was April 27, 1992. Since the DPH has already submitted the application for the proposed grant, the proposed resolution authorizes providing ratification of action previously taken. According to the DPH, no expenses have been incurred against this award prior to approval of the Board of Supervisors, and the Department does not anticipate expending funds against this grant until Board of Supervisors approval is received.

2. The proposed grant would be the first year of a one-year grant. If the proposed field test is successful, grants could be made available in ensuing years for an entire project.

3. The Department has not yet selected a contractor. Therefore, the accept and expend provisions of the grant should be deleted pending information regarding the hours, rates, and MBE/WBE status of the contractor.

4. The \$38,957 budgeted for computer hardware would include 12 personal computers and hardware to support a computer network. The \$10,523 budgeted for computer software would include word processing, spreadsheet, and databased programs. The Department has received EIPSC approval for the proposed purchase of computer hardware and software.

5. A Summary of Grant Request Form, as prepared by the DPH, is attached.

6. A Disability Access Checklist has been prepared by the Department and is in the file.

Recommendation: Amend the proposed resolution to delete the accept and expend provisions of the grant pending information regarding the hours, rates, and MBE/WBE status of the contractor, and approve the resolution, as amended.

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Item No. _____ Health Commission - Summary of Grant Request

Rev. 4/10/90

Grantor Health Resources and Services Admin Division CO/AIDS Div
 Contact Person Glenna Wilcom Section AIDS Office
 Address HRSA; 5600 Fishers Lane Contact Person Tim Piland
Rockville, MD 20857 Telephone 554-9132
 Amount Requested \$ 99,534 Application Deadline 4/27/92
 Term: From 6/1/92 To 5/31/93 Notification Expected 5/27/92
 Health Commission 6/2/92 Board of Supervisors: Finance Committee _____
 Full Board _____

Item Description: Request to (apply for) (accept and expend) a (new) (~~continuation~~) (~~allocation~~) (~~augmentation~~) (~~renewal~~)
 (Circle appropriate words) grant in the amount of \$ 99,534 from the period of 6/1/92 to 5/31/93
 to provide Field Test of the Uniform Reporting System Project services.

II. Summary: (Concise summary of need addressed; needs; groups served; services and providers)

This project is an attempt to establish a more accurate and reliable system of tracking Comprehensive AIDS Resources Emergency (CARE)-funded units of service to avoid duplication and gaps in the provision of such services. Please see attachment for detailed history/need for this project.

III. Outcomes/Objectives:

To provide a uniform reporting system for service agencies which are currently collecting and reporting service provision data through undercomputerized or manual methods in an effort to eliminate duplication and/or gaps in service provision.

IV. Effects of Reduction or Termination of These Funds:

Failure to apply for, accept, and expend these funds would seriously impair our ability to maximize the utilization of resources for people with AIDS/ARC in San Francisco.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount			99,534			
Personnel						
Equipment						
Contract Svc.			94,794*			
Mat. & Supp.						
Facilities/Space						
Other (telecommunications)			4,740			
Indirect Costs						

VI. Data Processing

*See attached budget for breakdown.

(Items included above)

VII. Personnel

	F/T CSC	P/T CSC	Contractual
	0	0	TBD

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

None

Will grant funded employees be retained after this grant terminates? If so, How?

No

VIII. Contractual Services, Open Bid

Single Source ☒ X

(If more than one source used, list them)

One of the participating agencies will be designated as a single source. One of the participating agencies will be designated as a single source. One of the participating agencies will be designated as a single source.

Item 1w - File 146-92-37

Department: Department of Public Health
Community Public Health Services (CPHS)
Family Health Bureau

Item: Resolution authorizing the Department of Public Health to apply for, accept and expend a grant of \$470,769, which includes indirect costs in the amount of \$20,530 based on 10% of allowable salaries and a required match in the amount of \$318,913 which is 67.7% of the total award, from the State Department of Health Services, Maternal Child Health Branch for Perinatal Outreach Services, and to execute a contract with the State for \$470,769 and any amendments which do not increase this amount.

Grant Amount: \$470,769

Grant Period: July 1, 1992 though June 30, 1994 (two years)

Source of Funds: State Department of Health Services
Maternal Child Health (MCH)

Project: Perinatal Outreach Services

Description: The proposed State Grant would provide funds for the management and coordination of the Department of Public Health's perinatal outreach service. The overall goal is to reach pregnant women and maintain these women in prenatal care. Specific program services include: (1) developing a City wide campaign, including the use of the MCH tollfree line, to increase the number of women seeking early prenatal care; (2) improve perinatal outcomes for African American women and their infants by identifying those African American women with no prenatal care at the county hospital; (3) offering an incentive program to keep women in prenatal care programs; (4) establish a MediCal assistance center for predominantly Hispanic immigrant women; (5) plan and coordinate outreach activities, train providers, and evaluate the outreach program.

Required Match: \$318,913 from the Health Education Fund of the Tobacco Control allocation for the City and County of San Francisco.

No. of Persons Served: 2,000

Project Budget:

	FY 1992-93		FY 1993-94	
	<u>FTEs</u>	<u>Budget</u>	<u>FTEs</u>	<u>Budget</u>
<u>Personnel</u>				
Outreach Coordinator	1	\$31,437	1	\$31,434
Health Worker	.5	8,078	.5	8,078
Social Worker MSW	.5	8,055	.5	16,108
Acct. Clerk/Typ.	1	5,305	1	5,304
Asst. Health Educator	.23	5,418	0	0
Subtotal Personnel		58,293		60,924
Fringe Benefits @ 28%		16,322		17,058
Total Personnel	3.23	\$74,615	3	\$77,982
<u>Operating Expenses</u>				
Travel		525		525
Training		1,225		617
Rent		5,670		6,840
Total Operating Expenses		\$7,420		\$7,982
<u>General Expenses</u>				
Office Supplies & Telephone		1,400		1,400
Photocopying & Printing		4,375		4,375
Promotion		2,025		2,025
Educational Materials		1,875		1,875
Total General Expenses		\$9,675		\$9,675
<u>Contracts</u>				
Outreach		63,750		63,750
Translation:		2,500		2,500
Patient Assistance		50,000		80,000
Total Contracts		\$116,250		\$146,250
<u>Indirect Costs</u>				
		10,319		10,211
Project Total		218,279		252,100

Indirect Costs: \$20,530

Comments:

1. Ms. Virginia Smyly of the Department of Public Health reports that the State Department of Health Services, Maternal Child Health Branch's policy for indirect costs (administrative overhead), limits claims to 10 percent of salaries, excluding benefits. In addition, the State Department of Health does not allow indirect costs on some portions of the proposed grant. Ms. Smyly advises that although the indirect costs in this grant proposal appear to be greater than 10 percent of allowable personnel salaries, this is not actually the case. The Department of Public Health stipulated that for this proposal, which is a portion of a larger award, the indirect costs should be calculated based upon the

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allowable personnel salaries from the total award. The amount of \$10,319 in indirect costs for the 1992-93 budget is based on an amount of \$103,191 in total allowable personnel salaries. The amount of \$10,211 in indirect costs for the 1993-94 budget is based on an amount of \$102,111 in total allowable salaries. Of the \$470,769 grant \$20,530 would go to cover indirect costs.

2. The proposed resolution lists the grant amount as \$470,769, based on preliminary budget calculations. According to Ms. Smyly the Department of Public Health has revised their budget calculations and has determined that the grant amount should be decreased from \$470,769 to \$470,379. These changes are reflected in the above budget and are also reflected in the amount of required match funds that the City provides. The Department of Public Health has determined that the match should be increased from \$318,913 to \$318,968. Because the percentage of match varies according to the individual line items, changes in the grant amount are not directly proportional to changes in the match amount.

Therefore, the proposed resolution should be amended to reduce the grant amount listed in the title and the body of the resolution for the proposed grant from \$470,769 to the amount \$470,379, and the required match amount should be increased from \$318,913 to the amount \$318,968.

3. The Department of Public Health, Community Public Health Services Division, Family Health Bureau has already applied for the proposed grant because submission of the proposed grant application was June 5, 1992. Therefore, the proposed resolution should be amended to permit the Department to apply for the proposed grant retroactively.

4. According to Ms. Smyly, AB 99, the Tobacco Control Act requires that 33% of the Health Education Fund allocation be used to fund perinatal outreach services. This proposed grant would represent approximately 50% of the 33% required by AB 99.

5. The "Summary of Grant Request" as prepared by the DPH is attached.

6. The Department of Public Health has completed a "Disability Checklist" which is attached.

Recommendation: 1. Amend the proposed resolution to reflect a decrease in the grant amount from \$470,769 to \$470,379, and an increase in the required match from \$318,913 to \$318,968.

2. Amend the proposed resolution to change the title and the body of the resolution to allow the Department of Public Health, Community Public Health Services to apply for the proposed grant retroactively.
3. Approve the proposed resolution as amended.

Maternal Child Health Branch
 Person Doris Barrows
 Address 714 P Street, Suite 740
Sacramento, CA 94234-7320
 Amount Requested \$ 470,769
 Term: From 07/01/92 To 06/30/94
 Health Commission _____

Division CPHS
 Section Family Health
 Contact Person Virginia Smvly
 Telephone 554-2563
 Application Deadline June 5, 1992 **
 Notification Expected N/A
 Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply), (accept and expand) a (new) ~~XXXXXX~~ allocation) ~~(XXXXXX)~~
 grant in the amount of \$ 470,769 from the period of 07/01/92 to 06/30/94
 to provide perinatal outreach services

II. Summary: (Concise summary of need addressed; number - people served; services and program)
The State Department of Health Services' Tobacco Control Section and Maternal Child Health Branch are jointly implementing prenatal outreach with AB 99 and federal financial participation. The services should ensure early and continued entry to prenatal care and assistance in securing Medi-Cal certification. At least 2,000 women will be served for each year of the grant.

III. Outcomes/Objectives:
Increased retention in prenatal care; earlier entry to care for those seeking Medi-Cal certification. These should have a favorable impact on overall perinatal outcomes.

IV. Effects of Reduction or Termination of These Funds:
Continued high rates of inadequate care for low-income women.

V. Financial Information:

	Col. A. Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Rec. Match	Approved by
Grant Amount		-	470,769			
Personnel		-	152,602			
Equipment		-	0			
Contract Svc.		-	262,500			
Mat. & Supp.		-	22,637			
Facilities/Space		-	12,500			
Other		-	0			
Indirect Costs		-	20,530			

VI. Data Processing

(also included above)		-	0			
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II. Personnel

Full Time CSC		-	2.0			
Part Time CSC		-	2.0			
Contractual		-	4.0			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, How?
No

III. Contractual Services: Open Bid X Sole Source _____

*** All matches are to tobacco tax/health education funds/perinatal outreach
 ** June 5 is requested date for receipt of budget and scopes or work and plans -
 It is not an application due date per se. Funds are a match to the tobacco tax health ed/perinatal outreach allocation

Item 1x - File 146-92-38

Department: Department of Public Health (DPH)
Community Public Health Services (CPHS)

Item: Resolution authorizing the Department of Public Health to accept and expend a continuation State grant of \$377,803 which includes indirect costs in the amount of \$7,046 based on ten percent of allowable salaries and a required match in the amount of \$55,971 which is 14.8 percent of the total award, and to execute a contract with the State for \$377,803 and any amendments which do not increase this amount.

Grant Amount: \$377,803

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: State Department of Health Services
Maternal Child Health (MCH) Branch

Project: Comprehensive Perinatal Services Program

Description: The proposed State grant would provide funds for the management and coordination of the DPH's Comprehensive Perinatal Services Program (CPSP) and to enhance and maintain Maternal/Child Health activities. Specific program services include: (1) providing technical assistance to health care providers in order to enable them to enroll low-income women in Medi-Cal funded perinatal services; (2) providing public information about the availability of Medi-Cal funded perinatal services; (3) recruiting additional health care providers to offer such services and; (4) providing on-going quality assurance and in-depth technical assistance to those health care providers that are currently offering these perinatal services.

The proposed State grant would also provide funds for the continuation of a toll-free MCH referral service which was implemented in 1991-92 and is located in the DPH Child Health Disability Program (CHDP) office. The proposed grant would fund a part-time bilingual health worker. This toll-free service is mandated under the Federal Ombudsman Budget Reformation Act (OBRA '89) which requires States to provide low-income individuals who lack phones free access to information on available health care services. This toll-free service arranges appointments for individual perinatal services. It also makes referrals to services available under the Women, Infants and Children (WIC) Program, which provides nutrition, education and supplemental foods to

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pregnant women and children under the age of five who are receiving medical care. Finally, it gives referrals to services available under the Child Health Disability Program (CHDP), which provides routine health screening to children up to age 13.

The proposed grant would also fund the Black Infant Health (BIH) program designed to increase community awareness of black infant health needs through the implementation of focus groups, creation of educational and promotional materials, recommendations for the use of video and other media, and assistance in implementation of events.

**No. of Persons
Served:**

Approximately 3,500 Medi-Cal eligible women

Required Match:

\$55,971 (see Comment No. 4)

Indirect Costs:

\$7,046 (see Comment No. 6)

Project Budget:

<u>Personnel</u>	<u>FTE</u>	
CPSP Coordinator, LCSW	.75	\$39,796
Sr. Med. Social Worker, LCSW	.75	36,096
Health Educator, MPH	.55	36,997
Data Clerk/Specialist	.50-.55	18,482
Clerk Typist/Admin. Asst.	.50-.75	15,125
Information Specialist	0.05	8,416
Clerk Typists	1.15	31,200
Public Health Aide	NA	5,000
MCH Director (MD)	.15	13,808
Perinatal Director	.50	27,196
Nutrition Consultant	.35	18,306
Quality Assurance Coordinator	.06	<u>5,005</u>

Subtotal Personnel	5.31-5.61	\$255,427
Fringe Benefits @ 27 percent		69,324

TOTAL PERSONNEL	\$324,751
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<u>Travel</u>	3,000
<u>Training</u>	3,000
<u>Consultant Services</u>	15,000

<u>General Expenses</u>	
Beeper Rental	\$1,200
Toll-Free Line (Rental Fee, and Toll Charges)	5,108
Advertising	2,796
Bus Campaign	3,350

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Phone Set	\$75
Incidental rental of PA/Sound System and other equipment needs	562
Promotional material design & printing	<u>1,083</u>
TOTAL GENERAL EXPENSES	\$14,174
<u>Operating Costs</u>	
Materials and Supplies (postage, reproduction office supplies, journals, memberships, and educational materials).	8,067
<u>Indirect Costs</u>	<u>9,811</u>
Project Total	\$377,803

Comments:

1. Ms. Virginia Smyly of the DPH reports that the \$15,000 for Consultant Services provides for one Registered Nurse (375 hours at \$40 per hour) to monitor program quality, including chart review and assessment of care according to Comprehensive Perinatal Services requirements and DPH recommendations. The Registered Nurse would also provide consultant services in scheduling, patient flow, training, and other related duties.

2. According to Ms. Smyly, \$99,500 of the proposed \$377,803 grant is the base amount guaranteed by the State for the Comprehensive Perinatal Service Program. An additional \$33,875 of the proposed grant would be allocated to Black Infant Health (BIH). Ms. Smyly reports that the State Department of Health Services has already agreed to grant the DPH the base \$99,500 and the \$33,875 BIH funds, for a total of \$133,375.

3. Ms. Smyly advises that the remaining \$244,428 of the proposed \$377,803 grant would be Federal Title XIX matching funds. The Federal matching funds would be distributed through the State Department of Health Services. Ms. Smyly advises that pending review and, if necessary, minor corrections by the State Contract Manager, the DPH expects the State Department of Health to grant the \$244,428 matching funds.

4. The County is required to pay \$55,971 of in-kind matching funds for the proposed grant. The \$55,971 County match is not included in the total project budget.

According to Ms. Smyly, the \$55,971 pays for a portion of the MCH Director, the Perinatal Director, the Nutrition Consultant, the Quality Assurance Coordinator, and the

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Clerk Typists. Ms. Smyly reports that the \$55,971 is included in the DPH's 1992-93 budget from the General Fund and would be expended whether or not the City were awarded the proposed grant. Therefore, no additional City funds would be expended to provide the \$55,971 County match.

5. \$24,000 of the \$377,803 total grant, which includes .5 FTEs at \$10,696, \$280 for bilingual pay, \$1,070 in indirect costs, \$7,683 in general expenses and the toll-free line, \$2,278 in fringe benefits, and \$1,993 in overhead costs, would be allocated to the continuation of the toll-free telephone referral line described above.

6. The proposed resolution includes indirect costs in the amount of \$9,811, based on preliminary budget calculations.

The proposed resolution states that indirect costs are based on ten percent of salaries, excluding salaries and wages under the Federal Comprehensive Perinatal Services (Enhanced Activities Services). However, the State Department of Health does not allow indirect costs on some portions of the proposed grant, including Enhanced Perinatal Services and some portions of the Black Infant Health Grant. According to the final budget submitted by the DPH, indirect costs were calculated based on ten percent of salaries and wages allowed by the State Department of Health. This includes \$41,145 salaries and wages from Title XIX Federal matching funds, \$29,699 from Comprehensive Perinatal Services funds, \$10,696 from the toll-free referral line funds, and \$16,567 from Black Infant Health funds, for a total of \$98,107. The State Department of Health Maternal Child Health Branch allows a maximum indirect cost of ten percent of allowable salaries and wages, or \$9,811.

Therefore, the proposed resolution should be amended to change the indirect costs listed in the title and the body of the resolution for the proposed grant from the amount of \$7,046 to the amount of \$9,811 based on ten percent of salaries and wages allowed by the State Department of Health.

7. The 1992-93 proposed grant award of \$377,803 represents no change from the 1991-92 grant of \$377,803.

8. The DPH advises that if grant funding is reduced or terminated, personnel would be reduced or terminated accordingly. The proposed grant provides for 5.31-5.61 FTEs.

9. The "Summary of Grant Request" as prepared by the DPH is attached.

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10. The "Disability Access Checklist" as prepared by DPH is contained in the file.

- Recommendations:** 1. Amend the proposed resolution to increase the indirect costs from the amount of \$7,046 to the amount of \$9,811.
- 2 Approve the proposed legislation as amended.

State Dept of Health Services
Maternal Child Health Branch

Person Doris Barrows
714 P Street, Suite 740
Sacramento, CA 94234-7320

Division CPHS
Section Family Health
Contact Person Virginia Smyly
Telephone 554-2563

Requested \$ 377,803
From 07/01/92 To 06/30/93
Health Commission _____ Board of Supervisors: Finance Committee _____
Full Board _____

Application Deadline June 5, 1992
Notification Expected N/A

I. Item Description: Request is to ~~(25%)~~ (accept and expend) a ~~(62%)~~ (continuation) (allocation) ~~(62%)~~ grant in the amount of \$ 377,803 from the period of 07/01/92 to 06/30/93 to provide prenatal and related services.
(Circle appropriate words)

II. Summary: (Concise summary of objectives, activities, groups served, services and providers)

This grant is the MCH block grant which provides for funds to implement the Comprehensive Perinatal Services Program and related services in San Francisco, ensuring comprehensive care for low-income women in the city. Approximately (3,500) women are affected through provider training and assistance to over 20 provider groups.

III. Outcomes/Objectives:

(3500)

To ensure comprehensive perinatal services and adequate care to low-income families, to provide appropriate MCH-related referrals, and to inform the community about Black infant health needs.

IV. Effects of Reduction or Termination of These Funds:

The CPSP program in San Francisco will be disrupted and (2,500) women will not be assured comprehensive services.

V. Financial Information:

	Col. A	Col. B *	Col. C *	Col. D	Rec. Match	Approved by
	Two Years Ago	Part Year/Orig.	Proposed	Change		
Grant Amount	224,383	377,803	377,803	0		
Personnel	186,218	315,475	324,751	9276		
Equipment	0	5,082	0	5082		
Contract Svc.	13,400	16,975	15,000	1957		
Mat. & Supp.	0	26,123	19,898	6225		
Facilities/Space	0	0	0			
Other	11,700	5,200	11,108*	5908		
Indirect Costs	1,164	8,948	7,406	1902		

VI. Data Processing * amended *travel, training and communications

(Leave included above)

5,082

0

VII. Personnel

F/T CSC	0	1.0	1.0	0	
P/T CSC	4.55	6.32	6.32	0	
Contractual	.25	.25	.25	0	

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, How?
No

VIII. Contracting Services: Open Bid X Sole Source _____
88

Item 1y - File 148-92-4

Department: Department of Public Works (DPW)

Item: Resolution authorizing the Department of Public Works to apply for, accept and expend Federal funds for pavement renovation.

Grant Amount: \$7,257,000

Source of Grant: Federal Surface Transportation Program

Required Local Match: \$1,828,000

Description: The proposed grant would fund the construction of nine pavement renovation projects shown in the Attachment.

The total estimated cost of the nine projects shown in the Attachment is \$10,096,000. A summary of the total estimated cost allocation is as follows:

	<u>Design</u>	<u>Construction</u>	<u>Total</u>
1987 Street Improvement			
Bond Fund Interest*	\$376,000	\$602,000	\$978,000
Federal Surface Trans. Funds			
(This Grant Request)		7,257,000	7,257,000
Gas Tax Funds	453,000		453,000
Half-Cent Sales Tax	<u>182,000</u>	<u>1,226,000</u>	<u>1,408,000</u>
Total	\$1,011,000	\$9,085,000	\$10,096,000

*Approved through a supplemental appropriation in April, 1992 (File 101-91-63)

Indirect Costs: None, grantor does not permit indirect costs.

Comments: 1. According to Mr. Joe Ovadia of DPW, the \$1,011,000 budgeted for DPW design services would be completed by existing DPW staff. Mr. Ovadia reports that approximately 20,220 hours would be provided by DPW staff at an average rate of \$50.

2. Mr. Ovadia reports that DPW has not yet selected the contractors for the construction services. Mr. Ovadia anticipates that a Request for Proposal (RFP) for the construction contracts would be issued in January of 1993. In April of 1992, the Finance Committee placed \$585,000 then budgeted for construction on reserve from the 1987 Street Improvement Bond Fund Interest (File 101-91-63) pending finalized cost details, and the MBE and/or WBE status of the

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contractors. The proposed resolution to apply for, accept and expend \$7,257,000 in Federal funds is also for construction services. As such, because contractors have not been selected, the \$7,257,000 should be placed on reserve pending finalized cost details, and the MBE and WBE status of the contractors.

3. Mr. Ovadia reports that design services began April, 1992 and will be completed in December of 1993 and construction would occur from February, 1993 through December, 1993.

4. Mr. Ovadia reports that the \$453,000 in State Gas Tax funds have already been received by DPW. Mr. Ovadia also reports that DPW submitted a portion of the \$1,408,000 Half-Cent Sales Tax funds in DPW's FY 1992-93 application to the County Transportation Authority and another portion will be submitted in DPW's FY 1993-94 application to the County Transportation Authority. Mr. Ovadia indicates that DPW receives approximately \$4 million annually from Half-Cent Sales Tax funds.

5. Reference to indirect costs as not permitted as part of this grant is included in the body of the legislation but not in the title of the legislation. Therefore, the proposed legislation should be amended to reference indirect costs as not permitted in the title of the legislation, and therefore waiving indirect costs.

6. The Disability Checklist has been prepared by the Department and is included in the file.

7. The Department has reported that these Federal Surface Transportation monies are funded on a formula allocation based on population. As such, the City is not required to submit an application to receive these funds. The proposed resolution should therefore be amended to delete the apply for provision.

Recommendations: Amend the proposed resolution to 1) reference the waiving of indirect costs since such costs are not permitted in the title of the proposed legislation 2) reserve the \$7,257,000 pending finalized cost details, and the MBE and WBE status of the contractors and 3) delete the apply for provision. Approve the proposed legislation as amended.

SURFACE TRANSPORTATION PROGRAM
PAVEMENT RENOVATION PROJECTS

Job Order	PROJECT TITLE	LOCAL FUNDS		FEDERAL SHARE	PROJECT COST
		Design Cost	Matching Share		
6679E	POLK STREET (FELL TO BEACH)	\$115,000	\$170,000	\$730,000	\$1,015,000
6690E	HARRISON STREET (14TH ST. TO 23RD ST.)	\$100,000	\$292,000	\$1,008,000	\$1,400,000
6680E	ALEMANY BLVD. (CONGDON TO BAYSHORE)	\$133,000	\$140,000	\$700,000	\$973,000
6689E	PENNSYLVANIA AVE. (MARPOSA TO ARMY)	\$71,000	\$117,000	\$433,000	\$671,000
6688E	CLARENDON AVE. (LAGUNA TO TWIN PEAKS)				
	WEINSTER STREET (DUBOCE TO MACALLISTER)	\$120,000	\$216,000	\$864,000	\$1,200,000
6687E	17TH STREET (DOUGLASS TO MARKET)				
	18TH STREET (MISSION TO DOUGLASS)	\$88,000	\$164,000	\$648,000	\$900,000
6691E	VARIOUS LOCATIONS, PAVEMENT RENOVATION	\$105,000	\$189,000	\$756,000	\$1,050,000
	STEUART ST. (MARKET TO MISSION)				
	FIRST ST. (FOLSOM TO HARRISON)				
	FOURTH ST. (MARKET TO TOWNSEND)				
	BRANNAN ST. (6TH ST. TO 8TH ST.)				
	SIXTH ST. (HARRISON TO BRANNAN)				
	THIRD ST. (BRYANT TO BRANNAN)				
	THIRTEENTH ST. (MISSION TO HARRISON)				
	NEW MONTGOMERY ST. (MARKET TO HOWARD)				
XXXX	POST STREET (MAINNESS TO PRESIDIO)	\$97,000	\$202,000	\$768,000	\$1,067,000
XXXX	MISSION STREET (THE EMBARCADERO TO DUBOCE)	\$183,000	\$338,000	\$1,300,000	\$1,820,000
	TOTAL:	\$1,011,000	\$1,828,000	\$7,257,000	\$10,096,000

Item 1z - File 38-92-17.1

Item: Resolution authorizing the City to accept a gift from Richard Goldman, Warren Hellman, John Rosecrans and Alfred Wilsey of artistic painting services valued at \$24,000 (\$6,000 each) for the decorative painting of temporary plywood surfaces in and adjacent to the main rotunda of the San Francisco City Hall, and authorizing the firm of Evans and Brown to perform such work.

Description: After the Loma Prieta Earthquake of October, 1989, temporary shoring was installed to stabilize the stone surfaces in the rotunda and various other locations throughout City Hall. The City has subsequently installed plywood sheathing over the exposed temporary shoring in and around the rotunda.

Richard Goldman, Warren Hellman, John Rosecrans and Alfred Wilsey have offered to provide \$6,000 each in order to hire the services of the firm of Evans and Brown, professional artists, to paint the shoring in a manner that is complementary to the esthetics of the rotunda. Payment to the firm would be made by Mssrs. Goldman, Hellman, Rosecrans, and Wilsey. The gift therefore consists of the direct services of the professional artists. The donation would include the designing process and the execution of the design, in addition to all labor and material costs.

Comment: Mr. Mark Primeau of the Department of Public Works indicated that as part of DPW's standard contractor hiring process, Evans and Brown would be required to provide proof of proper liability insurance coverage.

Recommendation: Approve the proposed resolution.

Item 1aa - File 141-92-2

Department: Juvenile Probation

Item: Resolution authorizing the San Francisco Juvenile Probation Department to apply for, accept and expend new private grant funds for the development of a multi-disciplinary assessment instrument, classification system and workload study; waiving indirect costs.

Grant Amount: \$55,000

Grant Period: August 4, 1992 through June 30, 1993

Source of Funds:	San Francisco Foundation	\$30,000
	Kaiser Family Foundation	<u>25,000</u>
	Total	\$55,000

Project: Multi-Disciplinary Assessment Instrument

Description: The proposed grant funds would be used to develop and implement new multi-disciplinary assessment and case management procedures for high risk juvenile offenders. These procedures would enable the Juvenile Probation Department to 1) measure accurately and objectively the risk youths pose to public safety, and 2) provide the information necessary to link individual youth and their families with services to interrupt the cycle of juvenile crime.

With technical assistance provided by a consultant(s), the Department would develop sound assessment tools; design a classification system based on youths' needs and risk levels; train a multi-disciplinary team to conduct assessments and develop service plans; analyze Department workload management; and design a management information system for assessment and case management information.

Required Match: \$35,000 which is included in the Juvenile Probation Department's 1991-92 budget, anticipated to be carried forward into FY 1992-93 (See Comment #1). Therefore, the total project budget would be a total of \$90,000 (consisting of \$55,000 in proposed grant funds and \$35,000 in matching funds).

Project Budget: All of the proposed \$90,000 in funds, including the \$35,000 match, would be used for contractual services.

Indirect Costs: The granting agencies prohibit the use of grant funds for indirect costs. Therefore, the Department is requesting that indirect costs be waived.

- Comments:**
1. According to Ms. Patricia Grice of the Juvenile Probation Department, the \$35,000 in required matching funds were originally anticipated to come from State AB 90 funds, which are no longer available to the Department for the required match. Ms. Grice reports that the Department's FY 1991-92 approved budget contained the required matching funds, and it was anticipated that these matching funds would be returned to the General Fund when the State AB 90 funds were received. The Juvenile Probation Department is anticipating to request that these budgeted funds be carried forward to FY 1992-93. However, the Controller's Office reports that until year-end close outs are completed for all City departments, it cannot yet be determined whether there are sufficient funds available for the required match. Therefore, the Budget Analyst recommends to continue the proposed resolution until it is determined whether sufficient carryforward funds are available for the required match.
 2. As previously noted, the total proposed project funds of \$90,000 (consisting of \$30,000 from the Kaiser Family Foundation, \$25,000 from the San Francisco Foundation and \$35,000 in matching funds) would be used for contractual services. The Juvenile Probation Department reports that a contractor has not yet been selected who would develop and implement the proposed multi-disciplinary assessment and case management procedures. The contractor details, including the MBE and/or WBE status of the contractor should be specified when the proposed resolution is heard again before the Finance Committee.
 3. The Juvenile Probation Department has previously applied for the proposed grant funds. Therefore, when the proposed resolution is heard again before the Finance Committee, the proposed resolution should be amended to authorize the Juvenile Probation Department to apply for the proposed grant funds retroactively.
 4. Attached is the grant application as completed by the Juvenile Probation department.
 5. The Disability Access Checklist is in the file.

Memo to Finance Committee
July 8, 1992

Recommendation: Continue the proposed resolution until it is determined whether sufficient carryforward funds are available for the required match.

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: Juvenile Probation Department

Contact Person: Fred Jordan, Jr. - Chief Probation Officer

Project Title: Multi-Disciplinary Assessment Instrument

Grant Source: San Francisco Foundation, Henry J. Kaiser Family Foundation

Proposed (New / Continuation) Grant Project Summary:

The Juvenile Probation Department will develop a assessment instrument for high risk juvenile offenders. This new method of assessment will make use of a multi-disciplinary team, act as a basis for classification, workload analysis and allow the formulation of individual treatment plans for targeted youth. This assessment instrument will evaluate problems, needs and risk to these youth in the areas of physical health, mental health, substance abuse, vocational training, academic achievement, family dynamics and psychosocial history.

Amount of Grant Funding Applied for: \$90,000

Maximum Funding Amount Available: \$25,000 San Francisco Foundation

\$30,000 request granted with Kaiser Family Foundation
Required Matching Funds: \$35,000 granted from AB-90 monies (in reserve)

Number of Positions Created and Funded: Depends on principle consultant selected and sub-contractors needed

Amount to be Spent on Contractual Services: Total Amount

Will Contractual Services be put out to Bid? Yes - RFP is being developed.

Term of Grant: 1 year

S.F. Foundation - March 9, 1992

Date Department Notified of Available funds: Kaiser Foundation - May 19, 1992

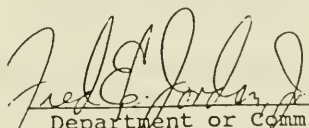
Application Due Date: Application complete - funding awards final

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

- 1) RFP has been developed - draft attached
- 2) Publish and circulate in San Francisco community requesting bids
- 3) Bidders conference to be scheduled
- 4) Appropriate commissions to be notified
- 5) Select review panel
- 6) Select principle contractor with emphasis on minority contractors based on criteria identified in RFP
- 7) Certification of contract

Assessment of Need for Grant Funding:

High risk youth are referred to the Juvenile Probation Department for serious offenses, repeat offenses and as youth identified as posing a risk to public safety. They remain in the Department's custody for 5 to 6 weeks pending case dispositions in court. A limited range of services are provided to these youth from other city departments and non-profit agencies. For these youth the Juvenile Probation Department would like to develop a new, comprehensive and more individualized method of assessing problems, needs and risk to the community. The new method would take a multi-disciplinary approach and coordinate the contributions of several independent agencies.


Fred P. Jordan, Jr. Chief Juvenile
Department or Commission Approval
Probation Officer

Item 2 - File 124-92-3.1

- Department:** Department of Parking and Traffic
- Item:** Ordinance amending Section 213 of Part II, Chapter XI of the San Francisco Municipal Code (Traffic Code) to provide that in Fiscal Year 1992-93 the first \$8.0 million will be allocated to the Off-Street Parking Fund.
- Description:** This ordinance was previously considered and recommended for approval by the Finance Committee. On June 29, 1992, the full Board of Supervisors rereferred this item back to the Finance Committee for further hearings. The proposed ordinance would amend Section 213 of Part II, Chapter XI of the Traffic Code. Section 213 outlines the amount of parking meter revenues that are credited to the General Fund and the Off-Street Parking Fund. The proposed ordinance would amend this Section to stipulate that in fiscal year 1992-93, the first \$8.0 million in parking meter revenues will be credited to the General Fund, instead of \$6 million as is currently provided for in Section 213, or \$2.0 million more annually to the General Fund.
- Comments:**
1. Parking Meter revenue included in the Mayor's recommended 1992-93 budget amounts to \$12.3 million, an increase of \$2.9 million over the 1991-92 revenue of \$9.4 million. The amount included in the Mayor's recommended 1992-93 budget for the transfer to the Off-Street Parking Fund is \$4.3 million, leaving a transfer to the General Fund of \$8.0 million for 1992-93. Therefore, if the proposed ordinance is not approved, or if the amount of funds transferred to the General Fund is reduced from the proposed \$8.0 million, the FY 1992-93 General Fund budget will have a shortfall.
 2. Mr. Tim Johnson of the Department of Parking and Traffic reports that the proposed ordinance is considered to be a one-time transfer of additional funds to the General Fund. Mr. Johnson notes that the proposed ordinance states that the Section 213 would be amended for fiscal year 1992-93 only.
- Recommendation:** Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 3 - File 96-92-4

Department: Police Department
Real Estate

Item: Ordinance authorizing the sale of surplus City-owned property to Mission Housing Development Corporation for development of 50 units of low-income senior housing and to adopt findings pursuant to Planning Code Section 101.1

Description: The proposed ordinance would authorize the sale of the excess portion of the new Mission Police Station site (located on 17th and Valencia Streets) recently acquired from the Pepsi Corporation with funds from the 1987 Police Facilities Improvement Bond Fund. The excess portion consists of approximately 19,878 square feet of land area and a three-unit residential building. The property would be sold to Mission Housing Development Corporation for \$971,904 to develop 50 units of low-income senior housing. In addition, the proposed ordinance would adopt findings pursuant to Planning Code Section 101.1, the Eight Priority Policies.

In October of 1991, the Board of Supervisors authorized the release of \$5 million of reserved 1987 Police Facilities Improvement Bond Funds to purchase the Pepsi property on 17th and Valencia Streets for a new Mission Police Station and Juvenile Division building, pay title and escrow fees, fund the Department of Public Works (DPW's) Bureau of Architecture to develop blueprints and to sell portions of the property to Mission Housing Inc. The total purchase price of the property was \$4,805,000.

Comments: 1. Mission Housing Inc. would purchase the 17th and Valencia Street property through a loan financed by FY 1990-91 Community Development Block Grant Funds for approximately \$48.89 per square foot or \$971,904. Therefore, the net cost to the City to purchase the Pepsi property would be \$3,833,096 (\$4,805,000 less \$971,904 = \$3,833,096.)

2. The Mission Housing Inc. intends to use the proposed 19,878 square foot property to build 50 units of low income housing for frail elders living on 50 percent of the median income (currently the median income is \$34,930 for a single person.) Mission Housing Inc. is a nonprofit housing development organization which builds low income housing in the Mission District.

3. The proceeds from the \$971,904 sale would be transferred to the 1987 Police Facilities Improvement Bond Fund for use in the construction of the new Mission Police Station.

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4. The Department of Real Estate reports that the proposed sale price of \$971,904 represents fair market value.

5. The Department of City Planning reports that the proposed sale is in conformity with the Master Plan and consistent with the eight priority policies of Planning Code Section 101.1.

6. Because the Board of Supervisors previously approved the Police Department's intent to sell the 19,878 square feet of the new Mission Police Station site to Mission Housing Inc. when the Board of Supervisors released the \$5 million to purchase the site, the Budget Analyst recommends approval of the proposed ordinance.

Recommendation: Approve the proposed ordinance.

Item 4 - File 61-92-5

Department: Public Utilities Commission (PUC)
Municipal Railway

Item: Resolution granting extension of time for awarding San Francisco Municipal Railway (MUNI) Contract No. MR-898, 14 Mission Line Trolley Overhead Reconstruction (Phase A Persia Avenue to Daly City Loop).

Description: The proposed resolution would grant an extension of time for awarding a MUNI contract for the 14-Mission Line Trolley Overhead Reconstruction project (Phase A -Persia Avenue to Daly City Loop). The contract work consists of replacement of the overhead line for the 14 Mission Line on the Persia Avenue to Daly City loop. Section 6.1 of the Administrative Code stipulates that award of contracts over \$50,000 must be made within 60 days after the receipt of bids unless the time for the award is extended by a resolution of the Board of Supervisors. Bids for the Municipal Railway contract were received on April 21, 1992.

The second lowest bidder on the project, Kingston Construction, protested the low bid of Abbett Construction Company and Yick Electric Company Incorporated, a Joint Venture, on the basis that the Joint Venture did not properly implement Disadvantage Business Enterprise Goals (DBE). The Contract Compliance Office reviewed the complaint and found that the protest was without merit. Due to the time necessary to resolve the protest received, the Public Utilities Commission was unable to award the contract within 60 days following receipt of the bids.

Comments: 1. Mr. Ken Jew of the Public Utilities Commission (PUC) reports that the low bidder, Abbett Construction Company and Yick Electric Company, Incorporated, have agreed to honor their bid beyond 60 days. Therefore, the proposed contract award extension would not result in any additional costs to the City. The proposed contract amount is \$4,557,516, to be funded through the Federal Urban Mass Transit Administration. Abbett Construction Company and Yick Electric Company Incorporated is a Joint Venture with 50 percent MBE participation.

2. Mr. Jew reports that the contract would be awarded two weeks after the approval of the Board of Supervisors. Mr. Jew indicates that the project would begin as soon as the contract has been awarded and would be completed in approximately one year. Mr. Jew reports that the contractor is ready to proceed upon approval of the proposed resolution

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by the Board of Supervisors. In order to insure that the Department has sufficient time, Mr. Jew has requested that the proposed resolution be amended to grant the extension of time for awarding the proposed contract until August 3, 1992.

- Recommendation:**
1. Amend the title and body of the proposed resolution to grant the extension of time for awarding the contract until August 3, 1992.
 2. Approve the proposed resolution as amended.

Item 5 - File 64-92-19

Departments: Real Estate Department
Department of Social Services (DSS)

Item: Resolution authorizing extension of an existing lease of real property at 1625 Van Ness Avenue for the Department of Social Services.

Location: 1625 Van Ness Avenue, portion of the second floor premises

Purpose of Lease: Office space for the Emergency Response Section of the Child Welfare Division of the DSS

Lessor: Wherco

No. of Sq. Ft. and Cost Per Month: 14,120 square feet @ \$1.56 per square foot, or \$22,000 per month

Annual Cost: Not to exceed \$264,000.

Percent Change from 1991-92: None.

Term of Lease: Month-to-month basis, for a period not to exceed one year, from July 1, 1992 through June 30, 1993.

Utilities and Janitorial Services Provided By: Lessor provides all of these services.

Source of Funds: 25% City General Fund (1992-93 Budget)
50% Federal funds
25% State funds

Comments:

1. Mr. Jerry Romani of the Real Estate Department advises that the proposed rent represents fair market value.
2. The Emergency Response Section of the Child Welfare Division has occupied a portion of the second floor of 1625 Van Ness Avenue since July 1, 1990. DSS is requesting an extension to this lease since space availability at 1440 Harrison Street has been delayed.

Ms. Judy Schutzman of DSS advises that the DSS General Assistance Program personnel currently occupying 1440 Harrison Street are still awaiting completion of major renovation work at 1235 Mission Street (the Delta Dental

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Building) before they can relocate to the Mission Street location. The Real Estate Department is also recommending an extension of the lease at 1440 Harrison Street for fiscal year 1992-93 (Item 18, File 64-92-13 of this report).

3. Ms. Schutzman advises that the major renovation work at 1235 Mission Street will be completed by approximately August 31, 1992, at which time the DSS General Assistance Program personnel will move from 1440 Harrison Street to 1235 Mission Street.

4. Rents for the Department of Social Services leases are paid based on a proportional basis. Proportions paid by the City's General Fund versus the State and Federal governments are calculated using a formula based on the number of hours which social workers expend on various projects. According to Ms. Schutzman, the City will be reimbursed by the State and Federal governments for 75 percent of the rent for the DSS offices at 1625 Van Ness Avenue.

Ms. Schutzman advises that it is her understanding that reimbursement of DSS administrative costs by the Federal and State governments is not in any jeopardy as a result of the State budget crisis.

5. Since the above-mentioned lease is to be extended commencing July 1, 1992, the proposed resolution should be amended to retroactively authorize the extension of the lease.

Recommendation: Amend the proposed resolution to retroactively approve the extension of the lease. Approve the proposed resolution, as amended.

Item 6 - File 64-92-20

Department: Commission on Aging (COA)

Item: Resolution authorizing an extension of an existing lease

Location: 1182 Market Street, Suite 320

Purpose of Lease: Office space for the Senior Information and Referral Program.

Lessor: Shorenstein Company

No. of Sq. Ft. and Cost per Month: 2,094 square feet at \$.85 per square foot or \$1,780 per month.

Annual Cost: \$21,360

% Increase Over 1991-92: None

Utilities and Janitor Services Provided by Lessor: Yes

Term of Lease: Month-to-month Basis

Right of Renewal: Yes

Source of Funds: Senior Citizens Programs Funds

Description: The proposed resolution would authorize the Commission on Aging to renew an existing lease for the Senior Information and Referral Program on a month-to-month basis. The monthly cost is the same amount as the previous fiscal year.

Comments:

1. Prior to FY 1991-92, the Senior Information and Referral Program was provided by the Department of Public Health (DPH) though funded jointly with the Commission on Aging through an Interdepartmental Work Order and Memorandum of Understanding. For fiscal year 1991-92, DPH eliminated the program from its budget. The Board of Supervisors reinstated DPH's funding level and placed the program within the Commission on Aging.
2. However, the Program has remained at 1182 Market Street which is approximately four blocks from the Commission on Aging's office. COA intends to relocate the Senior Information and Referral program to 25 Van Ness to be nearer to the COA office and to begin networking their

computer information systems. As such, the proposed lease is a month-to-month lease to allow the COA to move the Senior Information and Referral Program. The Department of Real Estate cannot, at this time, estimate when the Senior Information and Referral Program would move to 25 Van Ness. According to Mr. Gerald Romani of the Real Estate Department, the Senior Information and Referral Program move may not be until Spring or Summer of 1993.

3. According to the Department of Real Estate, the proposed lease represents the fair market value.

Recommendation: Approve the proposed resolution.

Item 7 - File 64-92-21

Department: Real Estate Department
Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution authorizing the extension of an existing sublease at 3000 Third Street for the Municipal Railway, for the maintenance and storage of buses.

Location: 3000 Third Street

Purpose of Lease: To store and maintain MUNI buses.

Lessor: AVIS Rent-A-Car System

**No. of Sq. Ft. and
Cost per Month:** 76,087 square feet at approximately \$0.165 per square foot or \$12,544.24 per month.

Annual Cost: \$150,530.88

**% Increase
Over 1991-92:** 5.4%

**Utilities and Janitor
Services Provided by
Lessor:** None

Term of Lease: July 1, 1992 though June 30, 1993

Right of Renewal: Yes

Source of Funds: Municipal Railway Operating Fund

Comments: 1. This space has been subleased for seven years from AVIS Rent-A-Car which leases this property from a private party.

2. According to Mr. Steve Legnitto of the Real Estate Department the lease includes provisions for annual rent increases in response to increases in the Consumer Price Index (CPI). The City is bound by the lease to pay all taxes and assessments levied against the property. According to Mr. Legnitto, the increase in the rent reflects a 4.15% increase in CPI and 1.25% increase in taxes and assessments for an overall increase of 5.4%. Mr. Legnitto reports that the proposed rent represents the fair market value for the property.

Recommendation: Approve the proposed resolution.

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Item 8 - File 64-92-15

Department: Police Department

Item: Resolution authorizing the renewal of an existing revocable license for rental of real property.

Location: 450 Seventh Street

Purpose of Lease: To provide space for parking of police vehicles.

Licensors: U.S. General Services Administration (GSA)

No. of Sq. Ft. and Cost Per Month: 27,600 total square feet @ \$4,048 per month (92 parking spaces at \$44 per parking space).

Annual Cost: \$48,576

% Increase Over 1991-92: None.

Term of Lease: July 1, 1992 to June 30, 1993

Source of Funds: General Fund

Right of Renewal: By mutual agreement between the City and GSA, this license is subject to renewal on an annual basis.

Comments:

1. The Police Department has included the annual rent for the proposed lease in the Department's FY 1991-92 budget.
2. According to Ms. Claudine Venegas of the Real Estate Department, the monthly rental rate of \$44 per parking space reflects the fair market value for the parking spaces.
3. Ms. Venegas reports that the parking lot is secured with a chain link fence and a locked gate.

Recommendation: Approve the proposed ordinance.

Item 9 - File 64-92-16

Department: District Attorney
Real Estate Department

Item: Resolution authorizing the renewal of a lease of real property for the District Attorney's Office

Location: 732 Brannan Street, 2nd Floor

Purpose of Lease: Office space for the District Attorney's Consumer Fraud and Special Prosecution Units

Lessor: First California Investments

No. of Sq. Ft. and Cost per Month: 8,000 square feet at \$1.26 per square foot per month. Total cost of \$10,083 per month

Annual Cost: \$120,996

% Increase Over 1991-92: No increase over the 1991-92 rent of \$10,083 per month

Utilities and Janitor Services Provided by Lessor: Janitorial costs are included in the monthly rental rate for the property. The City funds the cost of utilities, water and scavenger services.

Term of Lease: On a month to month basis for up to one year, July 1, 1992 through June 30, 1992

Right of Renewal: No

Source of Funds: The annual proposed rent of \$120,996 would be funded though the General Fund, subject to being approved in the Annual Appropriation Ordinance for FY 1992-93.

Comments:

1. Mr. Philip Aissen of the Real Estate Department reports that the building at 732 Brannan Street does not have an elevator and, as such, the second floor is not handicapped accessible and the building does not meet seismic safety standards.
2. According to Mr. Bob Perez of the District Attorney's Office a search for a site that was handicapped accessible, met seismic safety codes and was close to the Hall of Justice was begun in 1990. A potential site was identified and negotiations were begun. However, because of budgetary

constraints, funds for moving expenses are not presently available. Mr. Perez estimates moving expenses would cost approximately \$40,000. Currently, there are no plans to continue to look for a new site until funds for such moving expenses can be secured.

3. According to Mr. Aissen there would be no benefit to the City by switching to a longer lease period instead of the proposed month to month lease. To do this would require renegotiating the terms of the lease with the lessor, with no assurance that the new lease would be less costly than the current lease. Mr. Aissen further stated that the City would lose the flexibility to relocate quickly if additional monies became available, or a space meeting the DA's needs came on market.

Recommendation: Approve the proposed lease.

Item 10 - File 64-92-17

Departments: Real Estate Department for various departments as detailed below

Item: Resolution authorizing renewals and extensions of nine existing leases of real property for various City departments (see Locations (1) through (9) below).

(1) Department Employees Retirement System

Location: 1212 Market Street, Suites B, F and G

Purpose of Lease: Record Storage.

Lessor: Bank of California.

**No. of Sq. Ft. and
Cost Per Month:** 2,461 square feet @ \$.60/sq. ft./month = \$1,476.60 rent/month

Annual Cost: \$17,719.20

**Percent Change from
1991-92:** None.

Term of Lease: July 1, 1992 through June 30, 1993

**Utilities and
Janitorial Services
Provided By:** Utilities are provided by Lessor. Janitorial services are not required.

Source of Funds: Retirement Trust Fund

(2) Department: Police Department

Location: 948 Pacific Avenue

Purpose of Lease: Chinatown District site office for the Police Department's Senior Escort Service

Lessor: Lin Yu Louie

**No. of Sq. Ft. and
Cost Per Month:** 630 square feet @ \$1.50/sq. ft./month = \$945 rent /month

Annual Cost: \$11,340

**Percent Increase Over
1991-92:** None.

Term of Lease: July 1, 1992 through June 30, 1993

**Utilities and
Janitorial Services
Provided By:**

Lessor pays for water. The City pays for gas, electricity, janitorial and scavenger services. These utilities are included in the lease payments of \$11,340 per year.

Source of Funds: General Fund - 1992-93 Budget

(3) Department: Department of Public Works, Bureau of Building Inspection (BBI)

Location: 524 Golden Gate Avenue (entire second floor)

Purpose of Lease: Administrative offices.

Lessor: 325 Franklin Associates

**No. of Sq. Ft. and
Cost Per Month:** 5,500 square feet @ \$1.25/sq. ft./month = \$6,900 rent/month

Annual Cost: \$82,800

**Percent Change from
1991-92:** None.

Term of Lease: July 1, 1992 through December 31, 1992 (a six month period)

**Utilities and
Janitorial Services
Provided By:**

The City pays for utilities. The Lessor provides janitorial services.

Source of Funds: BBI Special Funds/Building Inspection Services Fund, 1992-93 Budget

(4) Department: Fire Department

Location: 744 Harrison Street

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Purpose of Lease: Office space for the Fire Department's Arson Squad.

Lessor: China Business Associates

No. of Sq. Ft. and

Cost Per Month: 3,000 square feet @ \$1.05/sq. ft./month = \$3,150 rent/month

Annual Cost: \$37,800

Percent Change from

1991-92: 5 percent increase

Term of Lease: July 1, 1992 through June 30, 1993

**Utilities and
Janitorial Services
Provided By:**

The City pays for all utilities and janitorial services.

Source of Funds: 1989 Proposition A - Earthquake Safety Program Bonds - Phase I

(5) Department: Public Utilities Commission (PUC)

Location: Station E - 19th and Lexington Streets

Purpose of Lease: DC conversion facility for Hetch Hetchy Water and Transit Power Division.

Lessor: Pacific Gas and Electric Company (PG&E)

No. of Sq. Ft. and

Cost Per Month: 2,170 square feet @ \$.50/sq. ft./month = \$1,089 rent/month

Annual Cost: \$13,068

Percent Change from

1991-92: 3.7 percent increase

Term of Lease: July 1, 1992 through June 30, 1993

**Utilities and
Janitorial Services
Provided By:**

Maintenance and water to be provided by PG&E.

Source of Funds: Funds included in the 1992-93 Hetch Hetchy Project Budget.

(6) Department: Public Utilities Commission (PUC)
Location: Station J - Leidesdorff Street
Purpose of Lease: DC conversion facility for Hetch Hetchy Water and Transit Power Division
Lessor: Pacific Gas and Electric Company (PG&E)
No. of Sq. Ft. and Cost Per Month: 1,750 square feet @ \$.53/sq. ft./month = \$934 rent/month
Annual Cost: \$11,208
Percent Change from 1991-92: 3.7 percent increase
Term of Lease: July 1, 1992 through June 30, 1993
Utilities and Janitorial Services Provided By: PG&E pays for maintenance and water.
Source of Funds: Funds included in the 1992-93 Hetch Hetchy Project Budget.

(7) Department: San Francisco Municipal Railway (MUNI)
Location: Southeast corner of Bryant and Division Streets
Purpose of Lease: Storage area for Municipal Railway (Muni) trolley poles.
Lessor: State of California, Department of Transportation (Caltrans)
No. of Sq. Ft. and Cost Per Month: 18,700 square feet @ \$.038/sq. ft./month = \$720 rent/month
Annual Cost: \$8,640
Percent Change from 1991-92: None.
Term of Lease: July 1, 1992 through June 30, 1993
Utilities and Janitorial Services Provided By: The City is required by the lease to maintain adequate lighting on the premises.

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Source of Funds: Funds included in the 1992-93 Hetch Hetchy Project Budget.

(8) Department: Fine Arts Museum

Location: 657 Howard Street

Purpose of Lease: Office space and condition assessment space.

Lessor: Crown Point Press, Inc.

**No. of Sq. Ft. and
Cost Per Month:** 4,040 square feet @ \$1.44/sq. ft./month = \$5,833 rent/month

Annual Cost: \$69,996

**Percent Change from
1991-92:** None.

Term of Lease: July 1, 1992 through June 30, 1993

Right of Renewal: The City would have the right to renew or terminate the proposed lease in each subsequent fiscal year if funds are not appropriated.

**Utilities and
Janitorial Services
Provided By:**

All utilities would be provided by the Lessor, except for scavenger services, which would be provided by the City for approximately \$1,200 annually.

Source of Funds: 1989 Earthquake Safety Bonds

(9) Department: Fine Arts Museum

Location: 270 E. Grand Avenue, South San Francisco, entire first floor and mezzanine

Purpose of Lease: The Fine Arts Museum has vacated the Palace of the Legion of Honor to allow for seismic upgrading of that facility. The major portion of the fine art collection is stored at 270 E. Grand Avenue. It is projected that the Fine Arts Museum will need to store most of the fine art collection at 270 E. Grand Avenue through January 31, 1995.

Lessor: N. L. Land Associates

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**No. of Sq. Ft. and
Cost Per Month:** 9,640 square feet @ \$.90/sq. ft./month = \$8,676 rent/month

Annual Cost: \$104,112 (See Comment No. 7)

**Percent Change from
1991-92:** None.

Term of Lease: July 1, 1992 through June 30, 1993.

**Utilities and
Janitorial Services
Provided By:**

The City pays for all these costs, which are estimated at approximately \$2,400 per month.

Source of Funds: 1989 Earthquake Safety Program, Phase I Bond Funds

Comments: 1. Mr. Lloyd Gardner of the Real Estate Department reports that the proposed rents reflect fair market values.

2. Mr. Gardner advises that although the original version of Lease (2) for the Police Department states that the monthly rent is to be \$992 for the period July 1, 1992 through June 30, 1993, the proposed resolution states that the rent in Lease (2) is \$945 per month for fiscal year 1992-93. Ms. Lucy Lui of the Police Department and Mr. Gardner were able to successfully negotiate with the Lessor to maintain the fiscal year 1992-93 rent under Lease (2) at the same level as the rent during fiscal year 1991-92.

3. Mr. Gardner advises that the term of Lease (3) is only six months because the City is currently negotiating to purchase a building to house all of the Bureau of Building Inspection's (BBI) offices and hopes to relocate BBI within a six month period. Mr. Gardner reports that the Real Estate Department is in the process of negotiating to renew the lease at 524 Golden Gate Avenue beyond December 31, 1992 on a month-to-month basis since it may take approximately nine months for the City to purchase a building and prepare it for occupancy by BBI.

4. Mr. Gardner advises that the letter dated May 19, 1992 from the Real Estate Department to the Board of Supervisors regarding the proposed resolution should reflect that Lease (6) is for 1,750 square feet at approximately \$.53 per square foot per month, versus the \$.87 per square foot, as stated in the letter. In addition, the proposed resolution should be amended to reflect that the location of Lease (6) is 222 Leidesdorff Street.

5. Since the proposed resolution erroneously lists the location of Lease (9) as 270 E. Grant Avenue, the proposed resolution should be amended to correct the location to 270 E. Grand Avenue in South San Francisco.

6. Mr. Gardner advises that Lease (9) provides for five months free rent at the beginning of the lease term (from April, 1992 through August, 1992), and that the Fine Arts Museum moved into the location on April 7, 1992.

Mr. Gardner reports that beginning September 1, 1992, the City will be charged the monthly rental rate of \$8,676 for the next seven months of the lease (through March 31, 1993), after which the City will be subject to a Consumer Price Index-based rental increase of not less than 3 percent, but no more than 6 percent, for the remaining three months of the lease (from April 1, 1993 through June 30, 1993), which would result in a maximum monthly rental payment of \$9,197 ($\$8,676 \times 6$ percent increase) per month or \$27,591 for the last three months.

The maximum total rental payments for Lease (9) in fiscal year 1992-93 would be \$88,323 ($\$8,676 \times 7$ months plus \$9,197 x 3 months). Therefore, the proposed resolution should be amended to authorize Lease (9)'s rental payments commencing September 1, 1992 and to state that the annual rental payments for Lease (9) in fiscal year 1992-93 will total a maximum amount of \$88,323.

7. Since the proposed resolution authorizes renewals and extensions of the above-named leases commencing July 1, 1992, the proposed resolution should be amended to retroactively authorize lease renewals and extensions for Leases (1) through (9), commencing July 1, 1992.

Recommendation: Amend the proposed resolution to (1) reflect that the location of Lease (6) is 222 Leidesdorff Street; (2) reflect that the location of Lease (9) is 270 E. Grand Avenue in South San Francisco; (3) authorize Lease (9)'s rental payments commencing September 1, 1992; (4) state that the fiscal year 1992-93 rental payments for Lease (9) total a maximum amount of \$88,323; and (5) retroactively authorize the above-named lease renewals and extensions. Approve the proposed resolution, as amended.

Item 11 - File 64-92-18

Departments: Real Estate Department
Department of Public Health (DPH),
Emergency Medical Services Agency (EMSA)

Item: Resolution authorizing amendment to lease of real property for the Department of Public Health's Emergency Medical Services Agency at 1540 Market Street.

Location: 1540 Market Street (addition of Suite 210 to existing lease)

Purpose of Lease: Office space for the Emergency Medical Services Agency of the Department of Public Health

Lessor: 1540 Market Street Investment Company

No. of Sq. Ft. and Cost Per Month: Addition of 442 square feet @ \$1.083/sq. ft./month = \$478.69 rent/month.

Annual Cost: \$5,744.28

Percent Change from 1991-92: No change from per square foot rate charged according to the existing lease.

Term of Lease: No commencement date is provided. Proposed amendment to existing lease to run through balance of existing lease's term expiring October 31, 1995.

Utilities and Janitorial Services Provided By: Lessor provides all of these services.

Source of Funds: General Fund, 1992-93 Budget

Comments:

1. The Emergency Medical Services Agency (EMSA) is responsible for overseeing all providers of emergency medical assistance in San Francisco. One of the Agency's functions is the certification and maintenance of records of all Paramedics, Emergency Medical Technicians and Mobile Intensive Care Nurses practicing within San Francisco.
2. In June, 1991, the Finance Committee authorized the EMSA to request that the Real Estate Department negotiate a lease on behalf of the EMSA with the 1540 Market Street Investment Company for 2,356 square feet of office space for

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\$1.083 per square foot per month, or \$2,552.33 per month at 1540 Market Street (File 64-91-13). At that time, the EMSA had nine full-time and three part-time staff and anticipated that the EMSA might hire some additional staff, and it was estimated that the 1,657 usable square feet of space (excluding storage and conference areas) would provide an average of 151 square feet per person for the 11 required desk spaces.

3. Ms. Abbie Yant of the EMSA advises that the EMSA currently has a staff of nine full-time and three regular part-time staff and requires the extra 442 square feet for an area specifically dedicated for use as a reception and certification area. Ms. Yant advises that currently, approximately 200 square feet is being used as a combined reception, certification and utility area (typing, copying, etc.), creating a lot of foot traffic and concerns about security.

Mr. Mark Forreth of the EMSA reports that EMSA has received verbal approval for a Federal grant in the amount of \$45,103, administered through the State Emergency Medical Services Authority for fiscal year 1992-93, and is reasonably certain that the funding is secure. The grant would fund the development of a computerized registry of pediatric patients treated by Emergency Medical services (911) ambulances, and would include the salary for an additional part-time staffperson to act as Project Coordinator (File 146-92-7.1). If the Federal funding is provided, this would mean that the EMSA might need 12 desk spaces.

The EMSA proposes to convert this existing 200 square feet (presently used for a reception, certification and utility area) into a data processing/multi-purpose utility area, providing storage space for approximately 100,000 records and work space for office equipment, and housing an optical scanner to read ambulance records to collect data on the quality of ambulance care provided.

The EMSA proposes to use the additional 442 square feet as a dedicated reception and certification area, with approximately 300 square feet of office space for certification professionals and approximately 142 square feet for the reception area, and a separate entrance for up to 500 Mobile Intensive Care Nurses, Paramedics and Emergency Medical Technicians seeking certification with the City each year. Ms. Yant advises that this arrangement will enable the EMSA staff who are not involved in certification to be more productive and secure, as these non-certification staff will be physically separated from the certification staff. Ms. Yant further advises that the Lessor will renovate the EMSA's office space at no charge to the City.

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4. Ms. Claudine Venegas of the Real Estate Department reports that the proposed rent reflects fair market values. Ms. Venegas advises that with the addition of Suite 210, the EMSA would have approximately 2,293 square feet of working area (a new total of 2,798 square feet less 305 square feet for the conference area, less 200 square feet for the storage/utility area), or 208 square feet per person, when factoring in approximately 11 required desk spaces. Ms. Venegas advises that the EMSA's office space, including the addition of 442 square feet, slightly exceeds the acceptable range of between 150 to 200 square feet of office space per person which the Real Estate Department uses as a standard.

5. The proposed resolution does not specify a proposed date by which the proposed amendment to the EMSA's existing lease takes effect because the EMSA will not move into Suite 210 until the Lessor has renovated Suite 210 at the Lessor's sole cost and expense as set forth in Exhibit B of the Amendment to the Lease. The Lessor will not proceed with renovations until the Finance Committee and the Mayor have authorized the proposed amendment to the existing EMSA lease and the amendment to the lease is executed.

Ms. Yant advises that it will take approximately two to three weeks for the 1540 Market Street Investment Company to complete renovation of Suite 210. The proposed resolution also states that the monthly rental payment will be \$478.69, subject to annual rent escalations of 5 percent, commencing July 1, 1993. Therefore, the proposed resolution should be amended to state that, upon satisfactory completion of certain required alterations by Lessor through June 30, 1993, a monthly rental payment of \$478.69 will be due to the Lessor.

6. Since the EMSA projects only an increase in one part-time staffperson, the addition of the proposed 442 square feet would provide more than the standard acceptable space according to Real Estate Department standards and the additional cost would be funded through the General Fund, the Budget Analyst believes approval of the proposed resolution is a policy matter for the Board of Supervisors.

Recommendation: Amend the proposed resolution to state that, upon satisfactory completion of certain required alterations by Lessor through June 30, 1993, monthly rental payments of \$478.69 will be payable to the Lessor. Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors.

Item 12 - File 47-92-1.1

Departments: Department of Parking and Traffic
Real Estate Department

Item: Resolution confirming award of the auto detail area lease of the Golden Gateway Garage.

Description: In March of 1992, the Board of Supervisors approved legislation (File 47-92-1) authorizing the Director of Property to call for bids for a lease of the auto detail area at the Golden Gateway Garage, located at 250 Clay Street. Accordingly, the Director of Property issued an Invitation for Bids to be received and opened by the Real Estate Department on May 13, 1992. In response to the Invitation for Bids, the Department received requests for eight bid packages. The Department subsequently determined that all of the eight companies that requested bid packages met the minimum standards to bid on the auto detailing area. Of the eight qualified companies, only one, Five Star Parking, submitted a bid. Five Star Parking is the current operator of the Golden Gateway Garage. The Department awarded the lease to Five Star Parking based on the company's bid to pay the City \$2,650 per month, subject to annual Consumer Price Index (CPI) increases, or 7 percent of the gross revenues, whichever is greater. Based on \$2,650 per month rental, Five Star Parking would pay the City \$31,800 annually. The auto detail area consists of a car wash area of 2,330 square feet plus an office/storage/restroom area of 529 square feet, for a total of 2,859 square feet.

Comments: 1. The auto detail area at the Golden Gateway Garage was previously subleased to Rapid Shine Auto Detail by the former garage operator Golden Gate Parking Company. This sublease expired, upon the termination of Golden Gate Parking's lease with the City on September 30, 1991. Under the terms of this prior sublease, Rapid Shine paid Golden Gate Parking Company a monthly rental amount of \$885 plus 10 percent of gross revenues over \$8,500. Of the \$885 minimum monthly rental, approximately 80.674 percent or \$714 was paid by Golden Gate Parking Company to the City. The City was also entitled to 80.674 percent of the 10 percent gross revenues over \$8,500. Based on \$885 minimum monthly rent, Rapid Shine paid Golden Gate Parking \$10,620 annually, of which \$8,568 was paid to the City. As noted above, under the proposed lease, Five Star Parking would pay the City a minimum of \$31,800 annually or \$23,232 more than the \$8,568 paid to the City annually under the Rapid Shine sublease.

2. Following the expiration of the sublease on September 30, 1991, Rapid Shine continued to utilize the auto detail area, without benefit of a formal lease agreement, pending negotiations with the Real Estate Department to enter into a month-to-month lease agreement for the space. The Department of Parking and Traffic had agreed to permit Rapid Shine to negotiate a month-to-month lease directly with the City, until such time as a new permanent lease could be bid. However, the negotiations for a month-to-month lease with Rapid Shine were never finalized because the Real Estate Department and Rapid Shine could not reach a mutual agreement on financial issues regarding the monthly rental amount to be paid to the City and Rapid Shine's payment of back rent owed to the City. Details surrounding these financial issues were described extensively in a previous report to the Board of Supervisors (File 192-92-1).

3. Ms. Claudine Venegas of the Real Estate Department reports that Rapid Shine has discontinued its auto detailing operations at the Golden Gateway Garage site. Ms. Venegas advises that the Real Estate Department sent a Notice of Abandonment to Rapid Shine on June 9, 1992. According to Ms. Venegas, Rapid Shine had until June 27, 1992 to respond to this notice after which the City had the legal right to take possession of the vacated space. Rapid Shine did not issue a response to the notice and the City has accordingly taken possession.

Recommendation: Approve the proposed resolution.

Item 13 - File 61-92-4

Department: Public Utilities Commission (PUC)

Item: Resolution granting an extension of time for awarding Hetch Hetchy Contract No. HH-829, for the O'Shaughnessy Dam Septic System Rehabilitation Phase II.

Description: The proposed resolution would extend the period of time for the PUC to award a Hetch Hetchy contract for the repair and rehabilitation of the O'Shaughnessy Dam Septic System, Phase II. Section 6.1 of the Administrative Code stipulates that award of contracts over \$500,000 must be made within 30 days after the receipt of bids unless the time for the award is extended by resolution of the Board of Supervisors. Section 6.1 also provides for an additional 30-day period (for a total extension of 60 days) in order to develop, implement or improve a qualifying affirmative action nondiscrimination program, as required by Section 12.B of the Administrative Code. Since bids for contract No. HH-829 were received on February 11, 1992, the total 60-day period extended to April 11, 1992.

The PUC reports that the Department received qualified bids from the following six companies:

	<u>Bid Amount</u>	<u>MBE/WBE Status</u>
1. KW Emerson, Inc.	\$166,346	None
2. San Luis Construction	167,374	MBE*
3. Gelco Services, Inc.	178,842	None
4. Neth Construction, Inc.	181,432	None
5. A. Answer, Inc.	189,980	MBE/WBE**
6. Delta Excavating, Inc.	309,350	None

* San Luis Construction is a certified MBE

** A. Answer, Inc. is a certified MBE/WBE

San Luis Construction was selected as the contractor for the proposed project. According to Mr. Robert Chun of the PUC Utilities Engineering Bureau, the additional time is required, due to the review of a bid protest received from A. Answer, Inc., in connection with San Luis Construction being selected as the contractor by the PUC for the proposed project. This bid protest contended that San Luis Construction did not meet the City's Affirmative Action requirements and that the company did not list a subcontractor for blasting in its bid. Mr. Chun advises that listing a subcontractor to provide blasting in connection with the excavation work required for

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this project, was not a requirement for qualifying as a responsible bidder. The Public Utilities General Counsel determined the protest to be without merit. The PUC Contract Compliance Officer determined that San Luis Construction, an MBE firm, meets the City's Affirmative Action requirements. San Luis Construction has stated that it intends to either perform the required excavation work connected with the repair and rehabilitation of the O'Shaughnessy Dam Septic System without blasting or to add a certified blaster to its workforce, if blasting is needed.

Comments:

1. Mr. Chun advises that the PUC awarded the subject contract to San Luis Construction on May 26, 1992. Therefore, the actual period of time that elapsed from the date the bids were received (February 11, 1992), to the award of the contract, was 105 days.

2. Since the PUC has already awarded the subject contract to San Luis Construction, the proposed legislation should be amended to retroactively grant an extension of time for the PUC to award the Hetch Hetchy Contract No. HH-829.

Recommendation: Amend the proposed legislation to retroactively grant an extension of time for the PUC to award the subject contract and approve the legislation as amended.

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Item 14 - File 64-92-9

Department: Real Estate
Department of Parking and Traffic

Item: Resolution authorizing the extension of an existing lease at 1975-99 Bryant Street for the Traffic Engineering Division of the Department of Parking and Traffic.

Location: 1975-99 Bryant Street

Purpose of Lease: Traffic Sign Shop

Lessor: Jack and La Vonne Keeney

No. of Sq. Ft. and Cost per Month: 21,162 square feet at \$0.425 per square foot or \$9,001 per month.

Annual Cost: \$108,012

% Increase Over 1989-90: 3.5 percent

Utilities and Janitor Services Provided by Lessor: No

Term of Lease: July 1, 1992 through June 30, 1993

Right of Renewal: Yes

Source of Funds: The annual proposed rent of \$108,012 would be funded through the Road Fund, and the funds are subject to being approved in the Annual Appropriation Ordinance for Fiscal Year 1992-93.

Comments: According to Mr. Steve Legnitto of the Real Estate Department, the proposed rental amount of \$0.425 per square foot is in accordance with the fair market value of the property.

Recommendation: Approve the proposed resolution.

Item 15 - File 64-92-10

Department: Department of Public Works
Real Estate Department

Item: Resolution authorizing extension of an existing lease of vacant land at Army and Evans Streets for the Department of Public Works, for storage of equipment and recycled road materials.

Location: Army and Evans Streets, Lot A1 Assessor's Block 4343.

Purpose of Lease: Storage space for equipment and recycled road materials.

Lessor: Pacific Gas and Electric Company

No. of Sq. Ft. and Cost per Month: 170,000 square feet at \$0.135 per square foot per month, for a total monthly rent \$23,000.

Annual Cost: \$276,000

% Increase Over 1991-92: No increase over the 1991-92 rent of \$23,000 per month.

Utilities and Janitor Services Provided by Lessor: None

Term of Lease: On a month to month basis for up to one year, July 1, 1992 through June 30, 1993

Right of Renewal: No

Source of Funds: The annual proposed rent of \$276,000 would be funded through a combination of Road Fund monies and Sewer Service charges revenue. Such funds are subject to being approved in the Annual Appropriation Ordinance for Fiscal Year 1992-93.

Comments:

1. According to Mr. Steve Legnitto of the Real Estate Department, the proposed rent represents the fair market value.
2. Mr. Legnitto further states that, the City is in the process of purchasing this property and expects to conclude the purchase by the end of the 92-93 fiscal year. Prior to the 1991-92 fiscal year, the rent for this piece of property was substantially below market rates. When the City renewed the lease in the 1991-92 fiscal year, the lessor raised the rent to its

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fair market level. In light of the increase in rent, the Department of Real Estate and the Department of Public Works determined that it would be more cost effective to purchase the property than to continue to rent it. The Department of Real Estate has subsequently entered into negotiations with the lessor for the purchase of the property. Funding for the purchase, subject to Board of Supervisors approval, is proposed to be through the issuance of Certificates of Participation.

Recommendation: Approve the proposed resolution.

Item 16 - File 64-92-11

Department: Controller

Item: Resolution authorizing the extension of an existing real property lease for the Controller at 160 South Van Ness Avenue.

Location: 160 South Van Ness Avenue

Purpose of Lease: Office space for the Controller's Payroll and Internal Audits Division.

Lessor: Trudy Cohn

No. of Sq. Ft. and Cost Per Month: 15,000 sq. ft. @ \$0.73/sq. ft./month, or \$10,968 per month

Annual Cost: \$131,616

% Increase Over 1991-92: 3.7 percent

Utilities and Janitor Services: Paid by the Controller, at a total cost of approximately \$26,000 per year (see Comment No. 4).

Term of Lease: July 1, 1992 to June 30, 1993

Right of Renewal: None (see Comment No. 1)

Source of Funds: General Fund (included in the proposed 1992-93 budget)

Comments:

1. Mr. Steve Legnitto of the Real Estate Department reports that the City's existing lease for the premises, which expired June 30, 1992, provides a right of renewal for one year. The proposed lease extension would result from the exercise of the City's option to renew the lease for one year. If the lease extension is approved, the lease would expire June 30, 1993, and the lease for the premises would have to be renegotiated in order for it to continue after June 30, 1993, according to Mr. Legnitto. The proposed lease extension includes no escalation provisions and no further right of renewal.
2. The monthly rent of \$10,968 for 1992-93 represents a 3.7 percent increase over the monthly rent of \$10,575 in 1991-92. The rent increase is determined according to the provisions of the existing lease.

3. Mr. Legnitto indicates that the monthly rent per square foot of \$0.73 (\$10,968 per month for 15,000 square feet), excluding janitorial services and utilities, represents fair market value for the premises.

4. Ms. Howie Bogard of the Controller's Office indicates that the cost of janitorial services and utilities for the premises in 1991-92 will be approximately \$11,000 for janitorial services (\$917 per month), \$13,000 for Light, Heat, and Power (\$1,083 per month), and \$2,000 for water service (\$167 per month). The total cost of these services will be approximately \$26,000 per year, or \$2,167 per month, for a monthly cost per square foot of approximately \$0.14. Ms. Bogard is not aware of any expected increases in these costs at the present time.

Recommendation: Approve the proposed resolution.

Item 17 - File 64-92-12

Departments: Real Estate Department
Department of Public Works

Item: Resolution authorizing extension of sublease of real property for the Department of Public Works at 1170 Market Street, 7th Floor.

Location: 1170 Market Street (entire 7th Floor)

Purpose of Lease: Office space for Personnel and Computer Services Division.

Sublessor: Pacific Gas and Electric Company (PG&E)

No. of Sq. Ft. and Cost Per Month: 4,966 square feet @ \$1.16/sq. ft./month = \$5,780.75 rent/month

Annual Cost: \$69,369

Percent Change from 1991-92: None.

Term of Lease: July 1, 1992 through June 30, 1993

Utilities and Janitorial Services Provided By: PG&E pays for all utilities and janitorial services.

Source of Funds: DPW's Departmental Overhead and Administrative Funds requested in the DPW's 1992-93 budget (see Comment #2 below).

Comments:

1. Mr. Phil Aissen of the Real Estate Department reports that the proposed rent reflects fair market values.
2. Mr. Ron Small of the DPW reports that the DPW's Departmental Overhead and Administrative Fund, which would fund the proposed lease, is funded through a variety of sources. Mr. Small indicates that the funding sources include the Gas Tax, Road Funds, Bond Funds, the General Fund, and Capital Improvement Funds. Mr. Small also indicates that less than 10 percent comes from the General Fund.
3. Since the above-mentioned lease extension commences July 1, 1992, the proposed resolution should be amended to retroactively authorize the lease extension.

Recommendation: Amend the proposed resolution to retroactively authorize the lease extension. Approve the proposed resolution, as amended.

Item 18 - File 64-92-13

Departments: Real Estate Department
Department of Social Services (DSS)

Item: Resolution authorizing extensions of three certain leases of real property for the Department of Social Services (see Locations (1) through (3) below).

(1) Location: Lot at South Van Ness Avenue and 13th Street

Purpose of Lease: Off-street parking for the Department of Social Services

Lessor: State of California

**No. of Sq. Ft. and
Cost Per Month:** 34,420 square feet @ \$.046/sq. ft./month = \$1,600 rent/month

Annual Cost: \$19,200

**Percent Change from
1991-92:** None.

Term of Lease: The lease shall be extended on a month-to-month basis for up to one year, from July 1, 1992 through June 30, 1993.

Right of Renewal: 11 one-year options

**Utilities and
Janitorial Services
Provided By:** Not applicable.

Source of Funds: 35% City General Fund; 65% State and Federal funds

(2) Location: Lot at Valencia and Stevenson Streets

Purpose of Lease: Off-street parking for the Department of Social Services

Lessor: State of California

**No. of Sq. Ft. and
Cost Per Month:** 28,170 square feet @ \$.067/sq. ft./month = \$1,883 rent /month

Annual Cost: \$22,596

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Percent Increase Over

1991-92: None.

Term of Lease: July 1, 1992 through June 30, 1993

Right of Renewal: Eight one-year options

**Utilities and
Janitorial Services
Provided By:**

Not applicable.

Source of Funds: 35% City General Fund; 65% State and Federal funds

(3) Location: 1440 Harrison Street (entire building)

Purpose of Lease: Office space for Department of Social Services, General Assistance Program (July 1, 1992 through August 31, 1992); Building renovation (approximately September 1, 1992 through October 31, 1992); Office space for DSS, Child Welfare Division (approximately November, 1992 through June 30, 1993).

Lessor: Eden & Eden

**No. of Sq. Ft. and
Cost Per Month:** 52,200 square feet @ \$1.49/sq. ft./month = \$77,670 rent/month

Annual Cost: \$932,040

**Percent Change from
1991-92:** None.

Term of Lease: July 1, 1992 through June 30, 1993

Right of Renewal: Three ten-year options and one five-year option

**Utilities and
Janitorial Services
Provided By:**

The City pays for all utilities and services.

Source of Funds: 35% City General Fund; 65% State and Federal funds

Comments: 1. Mr. Steve Legnitto of the Real Estate Department reports that the proposed rents reflect fair market values.

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2. Mr. Legnitto advises that the leases with the State of California for parking lots at Valencia and Stevenson Streets as well as at South Van Ness Avenue and 13th Street should be extended on a month-to-month basis as a result of the proposed State Department of Transportation (Caltrans) retrofit of Highway 101, which is directly on top of the two parking lots.

In his most recent conversation with Caltrans, Mr. Legnitto was told that Caltrans plans to do the retrofit work sometime after July 1, 1992, but could not provide a firm date at this time. To ensure that the City has the necessary flexibility in its leases in case the retrofit work should interfere with the usage of the parking lots, the Real Estate Department recommends that both of the above-mentioned DSS parking lot leases be extended on a month-to-month basis for up to one year, from July 1, 1992 through June 30, 1993.

Since the proposed resolution states that the lot at 13th Street and South Van Ness Avenue is to be leased on a month-to-month basis and the lot at Valencia and Stevenson Streets is to be leased on an annual basis, the proposed resolution should be amended to reflect that the lease for the lot at Valencia and Stevenson Streets is also being extended on a month-to-month basis.

3. Mr. Legnitto advises that there is no increase in the rents for the parking lots, as compared to the rents in fiscal year 1991-92, because Caltrans did not request a rental increase, in part because of the inconvenience to be caused by the proposed retrofitting of Highway 101.

4. The total amount of funds required for the three leases is a maximum of \$973,836. The funding availability is subject to approval in the fiscal year 1992-93 budget.

5. Rents for the Department of Social Services leases are paid based on a proportional basis. Proportions paid by the City's General Fund versus the State and Federal governments are calculated using a formula based on the number of hours which social workers expend on various projects. According to Ms. Judy Schutzman of DSS, the City will be reimbursed by the State and Federal governments for 65 percent of the cost of renting the parking lots as well as the cost of renting the DSS offices at 1440 Harrison Street. Ms. Schutzman advises that it is her understanding that reimbursement of DSS administrative costs by the Federal and State governments, which pays for 65 percent of the rental payments in this proposed resolution, is not in any jeopardy, as a result of the State budget crisis.

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Ms. Schutzman advises that the General Assistance Program is currently located at 1440 Harrison Street, but that the building will be vacated on approximately August 31, 1992. At that time, the Department of Public Works will either make the renovations or implement a competitive bidding process for an outside contractor to make the necessary renovations at 1440 Harrison Street. Ms. Schutzman reports that the City will continue to pay rent at 1440 Harrison Street while the building remains vacant during the renovation work, between approximately September 1, 1992 through October 31, 1992, since DSS, rather than the Lessor, chose to make the renovations.

Ms. Schutzman reports that by approximately August 31, 1992, the major renovation work at 1235 Mission Street (the Delta Dental Building) will be completed and the General Assistance Program staff will move from 1440 Harrison Street to 1235 Mission Street. Once the renovations are completed, DSS plans to consolidate the Child Welfare Division (now located at 1625 Van Ness Avenue and 170 Otis Street) at 1440 Harrison Street by approximately the beginning of November, 1992.

Mr. Legnitto reports that there is still some uncertainty about the completion date of the renovations at 1235 Mission Street, so the Real Estate Department is recommending the extension of the lease for 1625 Van Ness Avenue on a month-to-month basis (Item 5 - File 64-92-19 of this report) to ensure that none of the DSS staff will be displaced in the event that there are any delays.

6. DSS leases 91 parking spaces at the South Van Ness Avenue and 13th Street lot, while leasing 54 spaces at the Valencia and Stevenson Streets lot. Ms. Schutzman advises that presently, DSS employees are not charged a fee for the use of the parking spaces.

7. Since the above-mentioned lease extensions commence July 1, 1992, the proposed resolution should be amended to retroactively authorize these lease extensions.

Recommendation: Amend the proposed resolution to extend the lease for the parking lot at Valencia and Stevenson Streets on a month-to-month basis for up to one year, from July 1, 1992 through June 30, 1993, and to retroactively authorize the lease extensions. Approve the proposed resolution, as amended.

Item 19 - File 64-92-14

Departments: Real Estate Department for various departments as detailed below

Item: Resolution authorizing extensions of eight certain leases of real property for various City departments (see Locations (1) through (8) below).

(1) Department Public Library

Location: 2434 San Bruno Avenue

Purpose of Lease: Portola Branch Library.

Lessor: Adeline Gill, et al.

No. of Sq. Ft. and Cost Per Month: 1,735 square feet @ \$.63/sq. ft./month = \$1,093.68 rent/month

Annual Cost: \$13,124.16

Percent Change from 1991-92: 5 percent increase

Term of Lease: July 1, 1992 through June 30, 1993

Utilities and Janitorial Services Provided By: The City pays for all utilities and services.

Source of Funds: General Fund - 1992-93 Library Budget

(2) Department: Public Library

Location: 653 Chenery Street

Purpose of Lease: Glen Park Branch Library

Lessor: Mr. and Mrs. Wilhelm A. Tietz

No. of Sq. Ft. and Cost Per Month: 1,500 square feet @ \$.86/sq. ft./month = \$1,289.93 rent /month

Annual Cost: \$15,479.16

Percent Increase Over

1991-92: 5 percent

Term of Lease: July 1, 1992 through June 30, 1993

Utilities and

Janitorial Services

Provided By:

The City pays for all utilities and services.

Source of Funds: General Fund - 1992-93 Library Budget

(3) Department: Public Library

Location: 111 Broad Street

Purpose of Lease: Oceanview Branch Library.

Lessor: Stratigos Real Properties, Inc.

No. of Sq. Ft. and

Cost Per Month: 1,370 square feet @ \$.473/sq. ft./month = \$648.27 rent/month

Annual Cost: \$7,779.24

Percent Change from

1991-92: 5 percent increase

Term of Lease: July 1, 1992 through June 30, 1993

Utilities and

Janitorial Services

Provided By:

The City pays for all utilities and services.

Source of Funds: General Fund - 1992-93 Library Budget

(4) Department: Public Library

Location: 45 Leland Avenue

Purpose of Lease: Visitacion Valley Branch Library.

Lessor: Kenneth Chung, et al.

No. of Sq. Ft. and

Cost Per Month: 2,300 square feet @ \$.718/sq. ft./month = \$1,650.44 rent/month

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Total Cost: Not to exceed \$19,805.28 (see term of lease below)

**Percent Change from
1991-92:** 5 percent increase

Term of Lease: This space is to be leased on a month-to-month basis, commencing July 1, 1992, at a monthly rental rate of \$1,650.44 per month, for a period not to exceed 12 months.

**Utilities and
Janitorial Services
Provided By:** The City pays for all utilities and services.

Source of Funds: General Fund - 1992-93 Library Budget

(5) Department: Department of Agriculture

Location: 501 Army Street

Purpose of Lease: Administrative office space.

Lessor: San Francisco Port Commission

**No. of Sq. Ft. and
Cost Per Month:** 2,275 square feet @ \$.753/sq. ft./month = \$1,712.68 rent/month

Annual Cost: \$20,552.16

**Percent Change from
1991-92:** 5 percent increase

Term of Lease: July 1, 1992 through June 30, 1993

**Utilities and
Janitorial Services
Provided By:** The San Francisco Port Commission pays for heat, electrical and water services.

Source of Funds: General Fund - 1992-93 Agriculture Budget

(6) Department: Recreation and Park Department

Location: 133 Golden Gate Avenue

Purpose of Lease: Tenderloin Children's Playground and Community Center.

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Lessor: St. Boniface Neighborhood Center, Inc.

No. of Sq. Ft. and Cost Per Month: 8,780 square feet @ \$.276/sq. ft./month = \$2,419 rent/month

Total Cost: Not to exceed \$29,028 (see term of lease below)

Percent Change from 1991-92: None.

Term of Lease: This space is to be leased on a month-to-month basis, commencing July 1, 1992, at a monthly rental rate of \$2,419 per month, for a period not to exceed 12 months.

Utilities and Janitorial Services Provided By: St. Boniface Neighborhood Center, Inc. pays for all utilities and services.

Source of Funds: General Fund - 1992-93 Recreation and Park Department

(7) Departments: Human Rights Commission (HRC) and Commission on the Status of Women (CSOW)

Location: 1170 Market Street (entire 5th and 6th Floors)

Purpose of Lease: Office space for the Human Rights Commission and the Commission on the Status of Women.

Sublessor: Pacific Gas and Electric Company (PG&E).

No. of Sq. Ft. and Cost Per Month: 9,400 square feet @ \$1.207/sq. ft./month = \$11,342 rent/month

Total Cost: Not to exceed \$34,026 (see term of lease below)

Percent Change from 1991-92: 4 percent change (for period from July 1, 1991 through December, 1991);
0 percent change (for period from January 1, 1992 through June 30, 1992)

Term of Lease: This space is to be leased on a month-to-month basis for a maximum period of 90 days, commencing July 1, 1992, at a monthly rental rate of \$11,342 per month.

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**Utilities and
Janitorial Services
Provided By:**

Pacific Gas & Electric Company pays for all utilities.

Source of Funds: General Fund monies requested in the Human Rights Commission and Commission on the Status of Women budgets for 1992-93.

(8) Department: Department of Public Health

Location: 1540 Market Street, Suite 260

Purpose of Lease: Office space for the Department of Public Health's AB 75 Project.

Lessor: 1540 Market Street Investment Company

**No. of Sq. Ft. and
Cost Per Month:** 1,296 square feet @ \$1.083/sq. ft./month = \$1,404 rent/month

Total Cost: Not to exceed \$8,424 (see term of lease below).

**Percent Change from
1991-92:** None.

Term of Lease: This space is to be leased for the period July 1, 1992 through December 31, 1992 at a rental rate of \$1,404 per month (a period of 6 months).

**Utilities and
Janitorial Services
Provided By:**

1540 Market Street Investment Company pays for all utilities and services.

Source of Funds: General Fund, 1992-93 Budget

Comments: 1. Ms. Claudine Venegas of the Real Estate Department reports that the proposed rents reflect fair market values.

2. Ms. Venegas advises that Lease (4) is a month-to-month lease because the restroom at the present location of the Visitacion Valley Branch Library is not handicapped accessible and the Real Estate Department is in the process of negotiating with the Lessor to make the necessary renovations. Ms. Venegas reports that the Lessor will be reviewing plans drafted by the Real Estate Department within the next two weeks, at which time the Lessor will

determine whether or not he can make the necessary renovations to make the restroom handicapped accessible.

The Real Estate Department advises that the month-to-month lease will give the Public Library the flexibility the Library needs as a result of the uncertainty about the Lessor's decision about the renovations, and that if the Lessor is unable to make the restroom at 45 Leland Avenue handicapped accessible, the Real Estate Department will work with the Public Library to find an alternative site.

3. Ms. Venegas advises that Lease (6) is a month-to-month lease because the Recreation Center now located at 133 Golden Gate Avenue is planning to relocate sometime in fiscal year 1992-93. Mr. Tim Lillyquist of the Recreation and Park Department advises that a new recreation center focusing primarily on children is being built at 570 Ellis Street and should be completed within one year, at which time the lease at 133 Golden Gate Avenue will be discontinued.

4. Since the proposed resolution erroneously lists one of the tenants in Lease (7) as the Commission on the State of Women, the proposed resolution should be amended to correct the tenant's name to the Commission on the Status of Women.

Ms. Venegas advises that Lease (7) is a month-to-month lease for up to 90 days because the Human Rights Commission and the Commission on the Status of Women plan to relocate their offices to 25 Van Ness Avenue within 90 days, or by October 1, 1992, once the required renovations are completed.

5. Ms. Venegas advises that the Real Estate Department erroneously included Lease (8) for the AB 75 office space located at 1540 Market Street, Suite 260, in the proposed resolution. Ms. Venegas reports that the resolution approved by the Finance Committee in January, 1991 (File 64-90-48) authorized the Real Estate Department to negotiate an office lease from January 15, 1991 through December 31, 1991, plus a one-year extension option, which means the lease would not expire until December 31, 1992. Therefore, the proposed resolution should be amended to delete Lease (8) from the proposed resolution.

6. Since the above-named lease extensions commence on July 1, 1992, the proposed resolution should be amended to retroactively authorize these lease extensions.

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Recommendation: Amend the proposed resolution to (1) retroactively authorize the lease extensions, (2) state that one of the tenants in Lease (7) is the Commission on the Status of Women, and (3) delete Lease (8) from the proposed resolution. Approve the proposed resolution, as amended.

Item 20 - File 65-92-9

Department: Port of San Francisco

Proposed Action: Ordinance approving Second Amendment to a lease between Mission Creek Harbor Association, Inc., (MCHA) and the City and County operating by and through the San Francisco Port Commission.

Description: In 1976, the Port obtained Permit No. 7-76 from the Bay Conservation Development Commission (BCDC), which authorized the reconstruction and use of a marina for 20 houseboats and 35 recreational boats in the China Basin Channel. As a condition of Permit No. 7-76, the Port was required to construct and maintain certain public access improvements along the shoreline. In March of 1989, the Port entered into a 30 year lease with the Mission Creek Harbor Association for docks, berth space and property located between Fifth and Sixth Streets on the South side of the China Basin Channel. As stipulated in the lease agreement, responsibility for completing and maintaining the public access improvements was transferred from the Port to the MCHA. In December of 1989, the lease was amended to provide, among other things, details of the tenant's obligation to install certain improvements on the premises, including public improvements, and provisions for dealing with the possibility that it may be necessary to temporarily disturb the tenancy in order that environmental cleanup of the channel be accomplished.

As reported by the Port, the required improvements have not been completed by the MCHA, as stipulated in the Port's lease agreement with the MCHA. This inaction on completing the public improvements has resulted in BCDC issuing a Cease and Desist Order, specifying that Phase I of the work on the public access improvements be completed by February 15, 1993, and that all of the required public access improvements be completed by February of 1997. As further reported by the Port, in order to avoid the delay, expense, and uncertainty of results that would be associated with an enforcement action to require the MCHA to complete and maintain the public improvements, the BCDC, the MCHA, and the Port pursued a negotiated resolution of the issue which resulted in a Stipulated Settlement and Cease and Desist Order (Stipulated Settlement). That Stipulated Settlement, which would become effective only if this Second Amendment to the MCHA Lease is finally approved, provides that the Port, as co-permittee on

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BUDGET ANALYST

Permit 7-76, would guarantee the completion of the required public access improvements if MCHA failed to perform as scheduled. The Stipulated Settlement provides for five phases of construction spread over a five-year period, with construction costs averaging approximately \$20,000 per phase. The Stipulated Settlement also provides that if the Port incurs any costs as a result of the Port's obligation to perform public access improvements as the guarantor of MCHA's obligation under the BCDC Stipulated Settlement and Cease and Desist Order, then MCHA would repay the Port for the actual cost, plus 25 percent for overhead, at 12 percent annual interest in equal payments of principal and interest over a five-year period, beginning on the date that the Port incurs the obligation to perform.

The proposed Second Amendment of the Lease incorporates relevant provisions of the Stipulated Settlement and incorporates other provisions made necessary by the further development and adoption of the Mission Bay Plan since 1989, as follows:

(1) Revises language in the First Amendment of the Lease regarding the possible relocation of recreational boats if environmental clean-up is required in the Channel. The First Amendment includes a Port obligation to "equitably abate" MCHA's rent if the boats are relocated; the Second Amendment defines and limits the "equitable abatement" obligation to an amount equal to the percentage of revenue-producing linear feet of berthing space being vacated. Since approximately 55 percent of MCHA's operating revenues are derived from recreational boat berth rentals, the Second Amendment specifies circumstances under which the Port will defer MCHA's obligations to the Port during the period of any such relocation, in order that MCHA may avoid insolvency in the event such relocation extends for a period of several months. Obligations of the MCHA which may be deferred, for the relocation period only, include (a) repayments to the Port, if any, due because the Port was required to perform public access improvements as discussed above; (b) performance of scheduled Required Improvements to the Premises, excepting improvements required for health and safety reasons; and (c) payment of amount of rent due after abatement for the relocated boats, with repayment of any deferred amount due over the remaining term of the lease at 12 percent annual interest.

(2) Revises language in the First Amendment of the Lease relating to the Port's obligations to cause any environmental clean-up to be "minimally inconvenient" by adding "to the extent reasonably feasible," and to revise the language providing that the clean-up will be accomplished "in the most expedient manner possible" to add that the Port should not have to incur substantial additional cost to accomplish that result. In addition, the amendments provide that the Port will consult with MCHA prior to submitting plans to the State regulatory bodies, but that once the plans are approved, MCHA agrees that the plans satisfy the Port's obligations as to manner, timeliness and type of environmental clean-up.

(3) Revises language in the First Amendment of the Lease relating to MCHA's clean-up obligations with respect to hazardous materials that MCHA is responsible for, to identify additional pre-existing conditions, and to require MCHA to cooperate with other clean-up efforts.

(4) Inserts other minor clarifications in the language principally relating to the public access improvement obligations in relation to the Mission Bay project.

Comments:

1. The MCHA has been operating the mixed-use harbor for houseboats and recreational vessels at Mission Creek in excess of 20 years. In 1977, the Port Commission approved a lease with MCHA. However, that lease was never executed. As previously stated, the existing lease agreement between the Port and the MCHA was executed in March of 1989 and amended in December of 1989.

2. Under the terms of the existing lease agreement, the MCHA is leasing 192,400 square feet of space for \$3,105.48 per month, or \$37,265.76 on an annual basis. The lease term is for 30 years, commencing in February of 1989 and provides for annual consumer price index (CPI) increases. According to Ms. Veronica Sanchez of the Port, the MCHA is current on its rental payments.

3. Ms. Noreen Ambrose of the City Attorney's Office reports that the proposed Second Amendment makes performance by MCHA to complete the public improvements more likely in that the enforcement provisions of the Cease and Desist Order would not be subject to litigation and that the MCHA would be required to reimburse the Port for its actual public access improvement costs plus a 25 percent overhead

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cost and a 12 percent interest cost. The Port's construction costs for each of the five one-year construction phases would be approximately \$20,000, or a total of approximately \$100,000.

4. Ms. Ambrose reports that the MCHA recently expended approximately \$300,000 to correct safety problems related to the Mission Creek docks, but that those improvements are separate from the required public access improvements.

5. Although the enforcement provisions of the proposed Second Amendment to the existing lease between the Port and the MCHA contain improvements over the existing lease provisions, as they concern requiring MCHA to complete the public access improvements, those lease provisions, in our opinion, should be further strengthened, such as by requiring a deposit of funds for construction or a performance bond.

Recommendation:

Continue the proposed legislation pending the Port submitting a revised proposed Second Amendment to the Finance Committee that includes the provision of a performance bond by the MCHA to perform the required public access improvement work.

Item 21 - File 97-92-39

Item: Ordinance amending Chapter 2, Article VIII, San Francisco Administrative Code (Temporary Use or Occupancy of Public Streets), by amending Section 2.70-1 thereof, to increase the application fee for temporary use or occupancy of public streets from \$40 to \$80 dollars.

Description: Chapter 2, Article VIII of the San Francisco Administrative Code outlines procedures for the closure of streets for public events sponsored by private groups or community organizations. Article VIII outlines application procedures and regulations for street closures of a general nature, street fairs, athletic events, activities of the San Francisco Unified School District, and for the use of United Nations Plaza.

On July 1, 1992 the Finance Committee recommended approval of a proposed ordinance amending Section 2.70-6 of Article VIII, which would raise the fee for filing an Application for Temporary Use of Street for Street Fair from \$40 to \$80 (File 97-92-39).

The proposed ordinance now under consideration would amend Section 2.70-1 of Article VIII, to raise the application fee for street closures of a general nature and for athletic events. The proposed ordinance would provide for an increase of \$40 in the application fee, from \$40 to \$80.

The proposed ordinance would not amend other types of fees required under Article VIII, including reimbursement for the services of City Departments, but would only amend the fee for filing the street closure application, as provided in Section 2.70-1.

Comments: 1. The Budget Analyst has previously reported (File No. 97-92-39), based on information provided by the Department of Parking and Traffic, that there were 172 public events in 1991-92 for which street closure applications were filed.

The 172 applications included applications filed concerning street closures of a general nature, street fairs, and athletic events.

The revenue estimates contained in the Budget Analyst's report of July 1, 1992 assumed, based on information provided by the Department of Parking and Traffic, that

fees for approximately 172 street closure applications would increase if the earlier proposed ordinance, amending application fees for street fairs under Section 2.70-6, were approved. In fact, the revenue estimates also depend upon enactment of the newly proposed ordinance, which would implement an \$80 application fee under Section 2.70-1, for applications of a general nature and for athletic events.

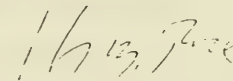
2. The revenue derived from 172 street closures in 1991-92, at \$40 per application, was \$6,880. In contrast, Mr. Tim Johnson of the Department of Parking and Traffic indicates that DPT's actual costs for processing the applications, consisting primarily of personnel costs, is estimated to have been \$13,722 in 1991-92. Based on 172 events, a \$40 increase in all street closure application fees to \$80 would generate \$13,760, and would offset the Department's actual costs to process street closure applications, according to Mr. Johnson. The increase in revenue resulting from the \$40 increase in the application fees would be \$6,880 per year, if the higher application fees were imposed for the entire fiscal year.

However, the Budget Analyst notes that since two readings of the proposed ordinance are required prior to approval by the Board of Supervisors, and because the proposed ordinance would not take effect until 30 days after the date it is signed by the Mayor, it is doubtful that the proposed higher fees could take effect until approximately September 1, 1992, after two months of the fiscal year had passed. Based on an average of 14.33 applications per month, and a \$40 fee for 2 months and an \$80 fee for ten months, the estimated total revenue for street closure application fees in 1992 if the proposed ordinance is approved would be \$12,610.

3. As noted, if street closure application fees were raised from \$40 to \$80 and 172 applications are filed in 1992-93, revenues in 1992-93 would be \$12,610, or \$1,112 less than the Department's 1991-92 cost to process the applications, as reported by Mr. Johnson. The Budget Analyst notes that, with salary standardization for clerk positions at DPT of approximately 9.5 percent, the Department's processing costs would increase from \$13,722 in 1991-92 to approximately \$15,026 in 1992-93. However, the proposed increase in the application fee would generate \$12,610, or \$2,416 less than DPT's projected costs of \$15,026 in 1992-93.

4. The Department of Parking and Traffic's proposed 1992-93 budget includes projected revenue in the amount of \$13,200 from the street closure application fee, or \$590 more than the revised estimates of \$12,610.

Recommendation: Approve the proposed ordinance in order to recover the Department's costs of providing these services.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

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CITY AND COUNTY



OF SAN FRANCISCO

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 8, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: Condominium Conversion and Gaming Table Revenue Proposals

The Budget Analyst has prepared the enclosed reports on recent proposals concerning condominium conversions and gaming tables in San Francisco.

A handwritten signature in dark ink, appearing to read "Harvey M. Rose".

Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
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Ted Lakey

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Condominium Conversions

Note: On July 8, 1992, Ms. Jean Mariani, the Mayor's Budget Director, informed the Budget Analyst that the proposed condominium conversion ordinance is not intended to be implemented as a revenue measure for the fiscal year 1992-93 budget. The proposed ordinance was prepared by a private attorney and is presently being reviewed by the City Attorney's office.

Item: Ordinance amending Part II, Chapter XIII of the San Francisco Municipal Code (Subdivision Code) by adding Article 11, consisting of Sections 1400 through 1410, and by amending Section 1332 to permit the conversion of residential rental property to condominium or other ownership subject to certain requirements.

Description:

The proposed ordinance would create a new mechanism to permit the conversion of residential rental property to condominiums, community apartments, stock cooperatives, cooperative associations, limited stock cooperatives, or other types of home ownership authorized under State law.

A minimum of 1,000 and a maximum of 1,100 applications for home ownership conversion would be approved by the Director of Public Works pursuant to the proposed legislation. The properties would be selected by a lottery to be held 45 days after the legislation, if approved by the Board of Supervisors, is signed by the Mayor. The proposed ordinance contains certain provisions for tenants' participation which must be satisfied before final approval for the conversion would be granted. These requirements are outlined as part of the application and review process, and are discussed in detail below.

The proposed ordinance states that the subdivider of any building being converted for home ownership under Article 11 would pay 5 percent of the sale price of each unit, but not less than \$10,000 per unit, to the City's General Fund. \$10,000 of the fee would be payable during the application process, with the balance due upon close of escrow for each unit.

Residential conversions are currently governed by Article 9 of the Subdivision Code of the San Francisco Municipal Code. Article 9 contains an Annual Conversion Limitation, effective January 1, 1990 to December 31, 1993, which states that applications for conversion of residential units "shall not be accepted," except for 200 units selected by the Department of Public Works through an annual lottery. Any residential buildings so selected must qualify for conversion based on

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the number of owner-occupied units they contain and the length of time that they have been owner-occupied.

Other provisions of the Subdivision Code, governing the availability and construction of low and moderate income housing, have been suspended for as long as the conversion limitations of Article 9 remain in effect.

The proposed ordinance states that its purpose is to provide a plan for home ownership conversions that is "exclusive of, independent from, and alternative to the plan for conversions set forth in Article 9," and that the 200-unit annual limit on conversions in Article 9 would not apply to conversions under the proposed Article 11.

The proposed ordinance would also amend Section 1332 of the Subdivision Code, which requires that public hearings be held concerning proposed conversions of any property when at least one unit in the building is used for residential purposes. The proposed ordinance would provide that the public hearing required under Section 1332 would not be required for condominium conversions under the proposed Article 11.

In addition, the proposed ordinance provides that the environmental impact evaluations required under Section 1332 of the Subdivision Code would not be required for proposed condominium conversions under the proposed ordinance. The existing Article 9, permitting conversion of up to 200 units per year, contains a similar waiver of the requirements of Section 1332. However, the Department of Public Works indicates that environmental impact evaluations can be required for some condominium conversion projects notwithstanding the statutory language.

Application Requirements and Conditions of Approval:

1. The proposed ordinance requires that the Director of City Planning conduct a lottery to be held 45 days following approval of the proposed ordinance by the Mayor, and to notify lottery applicants of the outcome within 15 days after the lottery is held.

The following table illustrates the amount of time which would elapse between approval of the proposed ordinance by the Mayor and receipt of certain fees required under the proposed ordinance, if each stage of the procedure is completed at (but not sooner than) the deadline imposed under the proposed ordinance:

<u>Activity</u>	<u>Number of Days Allowed for Completion</u>
Lottery Held 45 Days After Approval by Mayor	45
Notice to Applicants by Director of City Planning	15
Deadline for Application for Certificate of Eligibility	120
Conduct of Hearings if Requested by Tenants, and Issuance of Certificates of Eligibility by City Planning	50
Deadline for Application for Tentative Map Approval, Including Minimum Payment of \$10,000	<u>60</u>
Maximum Number of Days From Enactment to Application for Map Approval and Payment of Fee	290

2. Applicants who are selected in the lottery would be required to submit an "Application for Certificate of Eligibility" with supporting documents within 120 days of receipt of notification of their selection.

The Application for Certificate of Eligibility would be required to include the signatures of tenants (the "Co-Signing Tenants") from at least two-thirds of the units, in buildings of 6 or more units, indicating their agreement to the proposed conversion. The agreement of tenants from 3 units would be required in a building of 5 or 4 units (equal to 60 or 75 percent of the tenants, respectively). The agreement of tenants from 2 units would be required in a building of 3 or 2 units (67 or 100 percent of the tenants, respectively).

In addition, the application for a Certificate of Eligibility would be required to include Intent to Purchase Forms from tenants in at least 50 percent of the units (for buildings with more than 5 units), indicating the tenants' intent to purchase their units. For buildings of 5 units, Intent to Purchase Forms would be required of tenants in 3 units (60 percent of the units). In buildings with 4, 3, or 2 units, Intent to Purchase Forms would be required from tenants in at least 2 units (50, 67, or 100 percent of tenants, respectively).

The Application for Certificate of Eligibility would also be required to include:

- 1) Identification of the building which is the subject of the application;
- 2) A Building History detailing the date of construction, major uses and major repairs since construction, current ownership of the building and land, and the proposed form of the home ownership conversion;

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3) A Report of Residential Record obtained from the Bureau of Building Inspection issued within the preceding 90 days, and a statement that the report was delivered to tenants;

4) A Rental History detailing for each unit in the building the approximate square footage, number of bedrooms, current or last rental rate, any vacancies over the preceding three years, names of current tenants and information as to those who are senior citizens or disabled, the length of time that the tenants have occupied the units, and the names of any other persons other than the tenants known to have resided in the building in the previous three years;

5) A Statement of Repairs, Alterations, and Improvements, and their projected costs, that would be performed before the close of escrow for the sale of the first unit in the building;

6) Plans for the assignment and use of all common areas and parking spaces for the building;

7) Sales information for each unit occupied by a tenant, consisting of the maximum sales price, the minimum down payment, and, if seller financing is offered, the minimum amount to be financed, the maximum rate of interest, and the minimum term of the loan;

8) A Declaration indicating that Tenant Intent to Purchase forms have been delivered to all tenants residing in the building as of the date of filing of the application and that the information required for the application was provided to the tenants.

As noted above, the deadline for this stage of the application would be 120 days following the Director of City Planning's notification to the applicant of their selection in the lottery. Any applicant who misses the deadline would be ineligible to proceed, and a replacement applicant would be selected from the Standby List of candidates who were not originally selected in the lottery.

3. Within 10 days of the receipt of the Application for Certificate of Eligibility, the Director of City Planning would be required to notify tenants in the building of the condominium conversion application. Any tenants desiring a public hearing would be required to notify the Director of City Planning of the request within 10 days of the date that the Director's notice was sent to the tenants. The City Planning Commission would be required to hold such a hearing within 20 days of

the date the tenant's request for hearing was sent to the Director of City Planning. If these time periods were fully invoked, a hearing would be held within approximately 40 days following receipt by the Director of City Planning of the Application for Certificate of Eligibility.

4. The Director of City Planning, following review of the applications, would be required to issue Certificates of Eligibility within 50 days after the applications are filed for projects meeting the statutory requirements for conversion. This would permit the Director of City Planning a period of 10 days following any hearing which is held in which to issue a Certificate of Eligibility to the applicant.

5. An applicant for condominium conversion would be required to submit an "Application for Tentative Map Approval," including supporting documents and required fees, within 60 days after the Director of City Planning mails the Certificate of Eligibility to the applicant. The Application for Tentative Map Approval would be required to include:

- 1) A building inspector's report issued by the Bureau of Building Inspection or private contractors;
- 2) An estimated maintenance budget and reserve fund;
- 3) A statement of procedures for the allocation of the reserve fund;
- 4) The approved Certificate of Eligibility.

The proposed ordinance states in a separate section (concerning conditions for approval of the application by the Director of City Planning) that the applicable fee must be filed with the Application for Tentative Map Approval. However, the requirement for payment of the fee is not included in the list of Tentative Map Approval Application requirements [Section 1402(b) of the proposed ordinance)].

6. As noted above, fees are required under the proposed ordinance equal to 5 percent of the gross sale price of each unit, but not less than \$10,000. At least \$10,000 of this fee must be submitted with the Application for Tentative Map Approval, and would not be refundable if the conversion were not completed. Any balance of the fee would be payable upon close of escrow for the sale of the unit on which the fee was assessed.

7. Conditions for approval of the Application for Tentative Map Approval would be as follows:

- 1) Payment of the fee, as described in Comment 6, above.

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2) The subdivider must offer an exclusive right to purchase each unit in the building to any tenant who occupied the unit when the Application for Certificate of Eligibility was originally filed, based upon the terms contained in the Application for Certificate of Eligibility. If the tenant does not exercise this right or is unable to close escrow within 6 months of the Purchase Agreement, the subdivider would be allowed to sell the unit without regard to the terms of the application.

3) The subdivider is also required to offer a unit for sale to any tenant who was not in occupancy when the initial application was filed, although without restriction on the sale price. However, a "tenant" is defined in the proposed ordinance to mean only a tenant who occupied the premises when the application was filed, which appears to render this provision meaningless.

4) Tenants who choose not to purchase their units shall be given the right to remain in their units for as long as they choose, unless they are evicted for reasons stated in the proposed ordinance. (The proposed ordinance provides that its provisions regarding evictions supersede those of the Residential Rent Stabilization and Arbitration Ordinance). The tenants' right to remain in the unit cannot be assigned to others, except in the case of Senior Citizens under special circumstances.

5) Rents charged to tenants who choose to remain in their units would be calculated based on the rent in effect when the Application for Certificate of Eligibility was filed, with adjustments based on the provisions of the Residential Rent Stabilization and Arbitration Ordinance. Additional rent increases would require that a petition be filed with the Rent Stabilization and Arbitration Board.

6) Tenants who purchase their units would be required to pay a fee to the City if they sell the unit within 63 months from the date that escrow closed on the tenant's purchase of the unit. The fee would be 5 percent of the gross sale price on units sold within 15 months, and would decline over the remainder of the 63 month period.

7) The Subdivider would be required to submit a promissory note for the balance of any fees due to the City after filing the Application for Tentative Map Approval. The promissory note would be secured by the Deed of Trust on each unit. When the unit is sold, the Deed of

Trust would be conveyed to the tenant in exchange for a new promissory note from the tenant, which "shall be in full satisfaction of the Subdivider's obligations under the former note" and which would also enforce payment of fees due from the tenant if the unit is sold within 63 months.

8) Tenants who do not purchase their units but relocate within five years would be eligible to receive reimbursement for moving expenses as well as relocation assistance provided by the Subdivider.

8. The building to be converted would be required to comply only with the building, safety, and zoning codes and other applicable laws which were in effect when the building was constructed. The proposed ordinance states that no new requirements concerning parking, room size, or improvements may be imposed as a condition of the conversion. However, reasonable health and safety regulations could be imposed if they apply equally to all other similar building structures in the City, regardless of the form of ownership, and if they are publicized by the City prior to the date that an Application for Certificate of Eligibility is filed.

Comments:

1. The Budget Analyst has asked the City Attorney whether, under California law, the assurances of continued occupancy by the tenant, as described at Comment No. 7, subsection 4) above, can be enforced. The proposed ordinance states that "each lease" with a tenant who chooses to remain would explicitly waive provisions of California law which might otherwise determine the tenant's right to continued occupancy. However, the question remains whether such a waiver would suffice to protect the tenant under California law. Moreover, it is not clear from the proposed ordinance what lease is referred to, since the proposed ordinance does not require that a new lease be negotiated.

The Budget Analyst has also requested further clarification from the City Attorney regarding the respective obligations for payment of fees by the Subdivider and purchasing tenant, as described under Comment No. 7, subsection 7) above, since it is unclear whether the tenant would be required to assume the Subdivider's responsibility for payment of the original application fees, in addition to any fees resulting from the tenant's sale of the unit.

2. As previously noted, Article 9 of the Subdivision Code currently limits the number of conversions to 200 units per year, which are selected through an annual lottery (on a calendar year basis) conducted by the Department of Public Works (DPW). Mr. Greg Cruz of DPW

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states that the last such lottery was held on March 13, 1992, resulting in the selection of 62 buildings containing a total of 200 units. A Standby List was created at that time of unsuccessful applicants for condominium conversion, involving 130 buildings containing a total of 412 units.

If the proposed ordinance were approved, conversion of 1,000 additional units would be permitted. Based on the 412 units known to be on the Stand By list for condominium conversion at the present time, and a minimum fee of \$10,000 per unit, the Budget Analyst estimates that the City could receive revenue of \$4.12 million from the conversion of those units, provided that:

- 1) The owners of the units are willing to pay the fees for condominium conversion required under the proposed ordinance;
- 2) The units meet the requirements for conversion under the proposed ordinance, including written consent from 60 to 100 percent of the tenants and Intent to Purchase Forms submitted by 50 to 100 percent of the tenants (see Comment No. 2 under Application Requirements, above);
- 3) The application requirements under the proposed ordinance could be met prior to the deadlines established.

Since the owners of these 412 units have sought to convert the buildings under Article 9, the Budget Analyst assumes that the units meet statutory requirements for condominium conversion which are already in effect. If this assumption is correct, then permitting the conversion of these units under the proposed Article 11 would not represent a departure from the types of buildings which are authorized for condominium conversion under existing law, although it would negate the effect of the current 200-unit limit on the number of conversions.

Thus, 412 additional units could potentially be converted by authorizing conversions above the current 200-unit limit, without altering current restrictions on the types of buildings which may be converted.

The existing Article 9 provides that only buildings with 6 or fewer units may be converted to condominiums, and requires that those buildings which are converted must have been owner-occupied for at least 3 years. According to Mr. Cruz, a building is not counted against the 200-unit limit if it contains only two units and both units have been owner-occupied for at least one year.

In contrast, the proposed ordinance contains no restrictions on the types of buildings which can be converted to condominium use, and qualifying buildings would not be required to have been owner-occupied for any length of time.

3. Ms. Barbara Kolesar of the Mayor's Office states that representatives of private enterprises have assured the Mayor's Office that demand for condominium conversions is sufficient to ensure that the minimum level of 1,000 units established under the proposed ordinance would be reached. If 1,000 units were converted under the proposed ordinance at a minimum fee of \$10,000 per unit, then the City would receive minimum one-time revenues of \$10 million.

Since only 412 units are now on the Stand-By list of condominium conversions, the additional 588 to 688 units which could be converted under the proposed ordinance would probably involve buildings which presently are not eligible for condominium conversion, because they contain more than 6 units or have not been owner-occupied for three years, as required under Article 9. Ms. Kolesar agrees that buildings not now eligible for conversion are included in the Mayor's Office projection that 1,000 units would apply for conversion under the proposed ordinance.

4. The proposed ordinance does not contain a sunset provision to indicate that the ordinance, if enacted, would expire on a given date. Rather, the proposed ordinance states that "not less than 1,000 units nor more than 1,100 units shall be approved for conversion under this Article." The Budget Analyst interprets this statement to mean that the law would remain in effect until at least 1,000 units were converted pursuant to its provisions. Therefore, the revenues to be realized under the proposed ordinance would be one-time revenues.

The possibility exists that some percentage of the revenue which would be generated under the proposed ordinance would accrue to the City after the current 1992-93 fiscal year. The extent to which the revenue is received in 1992-93 or in later years depends on the number of Applications for Tentative Map Approval which are filed in the current year or in subsequent years.

The lottery would be held 45 days after the proposed ordinance, if approved by the Board of Supervisors, is signed by the Mayor. It is not possible to determine at this time whether applications for conversion of 1,000 units would be submitted within the 45 day period before the lottery would be held. The proposed ordinance contains no provisions for a subsequent lottery, if 1,000 units are not selected from the initial lottery. Even if 1,000 units were selected, it is not certain that 1,000 applications would be filed during 1992-93. Applicants who fail to meet the deadline for filing the Application for Certificate of Eligibility would be replaced by applicants from a Stand-By list of lottery

applicants, who would begin the procedure later in the year. In addition, the complexity of the applications may create delays in filing Applications for Tentative Map Approval, including payment of fees.

As noted above, the time allocated for application procedures under the proposed ordinance, regardless of the number of applications submitted, is 290 days. If the proposed ordinance were approved by the Board of Supervisors in mid-August and signed by the Mayor immediately thereafter, and if the 290 days allowed for application procedures under the proposed ordinance were fully utilized, but not exceeded (approximately 9 months and 20 days), the City would not receive revenues under the proposed ordinance until the end of May, 1993. Revenues would be received at an earlier date only if some of the applications were processed in less than 290 days.

5. According to Mr. Steve Dunbar of the Assessor's Office, the sale of units converted to condominiums results in reassessment of the value of the property, resulting in a higher property tax base, as well as transfer taxes on the sale price of the unit. The Budget Analyst notes that since application procedures would require almost ten months under the proposed ordinance, and since escrow on the sale of units could entail an additional 60 days, it is doubtful that the City would receive such additional tax revenues during fiscal year 1992-93. Mr. Dunbar indicates that conversion of the property to a new form of ownership does not, in itself, result in significantly higher tax revenues.

6. Ms. Kolesar states that the provisions of the proposed ordinance would tend to protect affordable housing in San Francisco, since the required fees would impose a disincentive to owners of low or moderate income housing to convert their property to condominiums. The Budget Analyst notes that any such effects would therefore also prevent low and moderate income households from realizing the benefits of home ownership envisioned by the proposal.

The Budget Analyst further notes that although properties now classified as low or moderate income housing may be less likely to undergo conversion under the proposed ordinance, total demand for rental housing is likely to remain unchanged, resulting in a higher level of demand for the remaining rental properties. Such an effect would tend to disadvantage low and moderate income households, who could be displaced by renters at higher income levels in the face of increased competition for fewer rental units.

7. The provisions of the Subdivision Code which were suspended while the 200-unit limit remains in effect contain provisions to preserve low and moderate income housing as a condition of condominium conversion. The suspended provisions are:

BOARD OF SUPERVISORS
BUDGET ANALYST

Article 1, Section 1341, which requires that in all condominium or cooperative conversions of more than five lots or units, 10 percent of the lots or units would be made available for rent or purchase by low or moderate income households, and imposes restrictions on the rental or purchase price; and,

Article 9, Section 1385, which requires that in the case of any condominium or cooperative conversions, the Department of City Planning shall determine whether the properties are part of the City's low and moderate income housing stocks, and imposes restrictions on the sales price of any converted units found to be part of the low and moderate income housing stocks.

Mr. Joe Latorre of the Mayor's Office of Housing and Mr. Andrew Schwartz of the City Attorney's Office have indicated that these sections of the Subdivision Code were suspended in part because they were ineffectual, somewhat vague, and difficult to achieve, and not simply because of the 200-unit limit on the number of conversions. Mr. Latorre reports that an inter-departmental Affordable Housing Task Force recommended in 1986 that requiring financial payments from developers to subsidize affordable housing projects would be more effective than the requirements of Secs. 1341 and 1385.

Mr. Schwartz indicates that the City Attorney's Office is currently engaged in major revisions of the Subdivision Code.

8. Mr. Dunbar has provided statistics compiled by the Assessor for 1991 (since 1992 figures are not yet complete), showing the composition of the City's residential housing stock. The major categories of residential real estate reported by the Assessor, the number of units in 1991, and the percent of the total for each category are as follows:

<u>Real Estate Class</u>	<u>Number of Units*</u>	<u>Percent of Total</u>
Apartments	132,391	43.0
Cooperative Units	1,953	0.6
Dwellings (single family homes)	99,141	32.1
Dwellings and Apartments	339	0.1
Flats and Duplexes	50,454	16.4
Flat and Store	9,530	3.0
Condominiums	<u>14,845</u>	<u>4.8</u>
Total	308,653	100

* 206 units in minor classes, and 500 units in miscellaneous or other classifications, have been omitted.

According to Mr. Dunbar, additional condominium conversions are most likely to occur in the "Apartments" classification. Conversion of

BOARD OF SUPERVISORS
BUDGET ANALYST

1,000 of the 132,391 units reported in this class for 1991 would represent a reduction of 0.76 percent (approximately three-quarters of one percent) in this residential housing component from the 1991 level.

9. San Francisco voters considered a proposition (Proposition N) in the November, 1991 election which would have modified Article 9 of the Subdivision Code by creating exemptions to the 200-unit annual limit, and allowing any residential rental unit to be converted for condominium use, provided, among other things, that:

- 1) More than half of the tenants in the building agreed to the conversion;
- 2) Tenants electing not to purchase their units were issued leases valid until their death or until they vacated the premises ;
- 3) Tenants were granted non-transferable rights to purchase their units at 75 percent of the fair market value of the unit, based on the unit's value at the time the condominium conversion application was filed; and,
- 4) The Subdivider provided financing for 90 percent of the purchase price to tenants wishing to purchase their units.

Proposition N was defeated in November, 1991 by a vote of 33.4 percent in favor and 66.6 percent opposed.

Gaming Tables

Item:

The proposed draft ordinance is regarding legalizing gaming clubs in San Francisco.

Description:

A gaming club would be defined as a business or enterprise licensed for the playing of card games permitted by the State of California under Title 9 of the California Penal Code. The proposed draft ordinance was not prepared by the City Attorney's Office, but rather was modeled after an existing ordinance in San Bruno. The City Attorney is currently drafting a proposed ordinance in final form. Under the proposed ordinance, no more than one gaming club license can be authorized in the City at any one time, with no more than 80 playing tables located at the one gaming club.

The proposed draft ordinance outlines conditions which must be met by the a gaming club applicant. These conditions include that the property line for the gaming club premises must be located at least 400 feet from any residentially zoned property, and at least one block from public transportation. In addition, the gaming club premises must be capable of parking a minimum of 100 cars, and be capable of expansion of the parking facilities. The Chief Administrative Officer would prepare a list of applicants and submit the list to the Board of Supervisors. The Board of Supervisors may either approve the license applied for, conditionally approve the application, or deny the application. A license issued under the provisions of the proposed ordinance would remain valid until either surrendered by the licensee, suspended by the Chief of Police, or suspended or revoked by the Board of Supervisors, or 25 years from the issuance of the occupancy permit, whichever comes first.

The proposed draft ordinance outlines the following fees which would be payable to the City:

Application Fees

\$5,000	Non-refundable gaming club license fee
1,000	"Pointholder" application fee. A "pointholder" is all persons (individual, corporation or legal entity) having an ownership interest in the gaming club. Each "pointholder" would be assessed this fee.
250	"Pointholder" transfer fee for transfers of ownership
100	Employee work permit fee for any person employed by the club

Quarterly License Fees

\$10,000	Quarterly License Fees, payable four times a year which would result in \$40,000 in annual revenues to the City.
----------	--

Gross Revenue License Fees

- 10 percent of the gross revenues
- 6 percent of total entry fees for tournaments

Under the proposed draft ordinance, gross revenues are defined as player seat rental fees, and any and all other table revenues, but does not include entertainment revenue, food and beverage receipts, employee tips or valet parking charges or revenue received from retail activities.

Comments:

1. The following gross revenues realized by gaming clubs from their playing tables have been estimated for a few cities in California which currently operate gaming clubs:

<u>City</u>	<u>Number of Tables</u>	<u>Gross Revenues Per Table</u>	<u>Estimated Annual Gross Revenues*</u>
Bell Garden	170	\$604,700	\$102.8 million
Commerce	170	445,900	\$75.8 million
Emeryville	45	364,400	\$16.4 million
Gardenia	94	462,800	\$43.5 million
San Jose	47	348,900	\$16.4 million

* Annual gross revenues estimated are based upon the percentage of gross receipts received by the cities. It should be noted that gaming clubs in these other cities have been established for a longer period of time, and therefore, gross revenues generated in San Francisco may not be as high for a newly established club. The projected gross revenues for gaming clubs in San Jose may increase for fiscal year 1992-93 pending the approval of a proposed ordinance which would authorize a greater number of card games.

2. As noted above, one gaming club with a maximum of 80 tables would be authorized to operate in the City under the proposed draft ordinance. The estimated gross revenues per table estimated for other California cities ranges between approximately \$604,700 per table for Bell Garden to approximately \$348,900 per table for San Jose. Based on this range, the annual Gross Revenue License Fee revenues to San Francisco could be estimated at approximately \$2.79 million to \$4.84 million, assuming the City would receive 10 percent of gross revenues. and assuming 80 tables would be operated at one club.

3. Although the annual Gross Revenue License Fee revenues to San Francisco could be estimated at approximately \$2.79 million to \$4.84 million, the actual revenues for FY 1992-93 may be significantly less than this projected amount because it may be several months before the proposed ordinance is implemented, the application process is completed and the gaming club is fully operational.

4. As noted above, the City Attorney's Office is currently drafting the proposed ordinance. The gaming club located in San Francisco could also be subject to the City's Payroll and Gross Receipts taxes in addition to the proposed Gross Revenues License Fees.

5. Therefore, the total revenue anticipated to be generated to the City annually would be as follows:

\$ 5,000	Non-refundable gaming club license fee
1,000	"Pointholder" application fee (assumes only one "pointholder")
--	"Pointholder" transfer fee (assumes no transfers of ownership)
--	Employee work permits not included because the number of employees cannot be determined at this time).
<u>40,000</u>	Quarterly License Fees
\$46,000	Subtotal

\$2.79 million -	
<u>\$4.84 million</u>	Gross Revenue License Fees

\$2.84 million -	
<u>\$4.89 million</u>	Total Estimated Annual Revenues to the City, Excluding Payroll and Gross Receipts Taxes and Employee Work Permits Revenues

6. The City departments which would incur costs from the proposed ordinance would be the Office of the Chief Administrative Officer (CAO) which would process the applications and the Police Department, which would investigate the gaming club applications, including an investigation of the proposed premises and any violations. The City would also incur auditing costs for the auditing of records and accounts relating to the gross revenues and of all other licenses. These costs cannot be determined at this time.

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CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 7, 1992

TO: Finance Committee
FROM: Budget Analyst
SUBJECT: July 9, 1992 Recessed Budget Review Meeting

Item 1 - File 100-92-5

Note: This item was recessed from the Finance Committee meeting of July 2, 1992.

1. This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

2. As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

3. The Controller, the Mayor's Office and the Budget Analyst will report their latest information on the State budget at the Finance Committee's meeting of July 9, 1992.

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Memo to Finance Committee
July 9, 1992

Item 2 - File 100-92-1

Note: This item was recessed from the Finance Committee meeting of July 2, 1992.

This item is a hearing to consider the Annual Budget of the City and County of San Francisco for fiscal year 1992-93.

Please see the Budget Analyst's reports dated June 24, 25 and 26, 1992 entitled Recommendations of the Budget Analyst for Amendment of the Mayor's Fiscal Year 1992-93 Budget.

Memo to Finance Committee
July 9, 1992

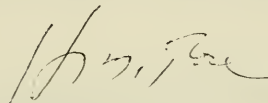
Items 3 and 4 - Files 101-92-2 and 102-92-2

Note: These items were recessed from the Finance Committee at its meeting of July 2, 1992.

The proposed Annual Appropriation Ordinance reflects revenues and expenditures as contained in the Mayor's recommended 1992-93 budget. The proposed Annual Salary Ordinance for Fiscal Year 1992-93 reflects the positions as contained in the Mayor's recommended 1992-93 budget.

Comment

The Budget Analyst has made numerous recommendations regarding reductions and changes to the Mayor's recommended 1992-93 budget. The Finance Committee has accepted an estimated \$5.5 million of the Budget Analyst's recommendations.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

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SAN FRANCISCO
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FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JULY 15, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 7/8/92)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

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CALENDAR

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

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WEDNESDAY, JULY 15, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 25-92-24. [Contracting Out City Services] Resolution concurring with the Controller's certification that parking meter revenue collection can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Department of Parking and Traffic)
 - (b) File 28-92-8. [Emergency Repair] Resolution authorizing the Director of the Department of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work to clean the sewer in Fifth Street between Folsom and Bryant Streets - \$75,000. (Department of Public Works)
 - (c) File 28-92-9. [Emergency Repair] Resolution authorizing the Director of the Department of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work to replace the failing sewer in Stockton Street between Broadway and Pacific Avenue - \$74,940. (Department of Public Works)
 - (d) File 64-92-22. [Lease of Property] Resolution authorizing lease of real property at 233 Post Street for the Fine Arts Museum. (Real Estate Department)

- (e) File 94-92-4. [Grant – Regional Funds] Resolution authorizing the Public Utilities Commission to apply for and accept \$3.1 million of Bridge Toll Funds for SFMRIC lease payments and \$51.5 million of regional funds such as Federal Transit Administration Sections 8 and 9 Operating Revenues, Transportation Development Act (TDA), State Transit Assistance (STA), AB 1107 half-cent sales tax, and Bay Area Rapid Transit District funds for 1992-93 Municipal Railway Operations and authorizing the expenditure of the Section 8 Planning funds. (Public Utilities Commission)
- (f) File 94-92-5. [Grant – State Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and accept \$1,704,000 including an estimated \$119,280 of indirect costs from 1992-93 State Traffic System Management funds for the Municipal Railway and also to apply for, accept and expend available Federal Petroleum Violation Escrow Account funds to support signal system pre-emption and other energy efficient transportation improvements. (Public Utilities Commission)
- (g) File 146-92-29. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Special Programs for Youth as a sub-grantee, in collaboration with Northern California Pediatric AIDS Treatment Center as prime grantee, to accept and expend an allocation of \$244,840 which includes indirect costs in the amount of \$11,659 based on five percent of direct costs, from the National Institute of Health, National Institute of Allergy and Infectious Disease, for establishing clinical trial subunits and health services for youth. (Department of Public Health)
- (h) File 146-92-50. [Grant – State Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a supplemental allocation of \$150,000 from the California Department of Health Services to continue funding the AIDS Drug Program; providing for ratification of action previously taken. (Department of Public Health)
- (i) File 146-92-51. [Grant – State Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a grant not to exceed \$2,615,796 which includes indirect costs not to exceed \$75,322 based on ten percent of personnel costs, from the California Department of Health Services to continue funding the Master Grant Agreement; providing for ratification of action previously taken. (Department of Public Health)
- (j) File 147-92-2.1. [Grant – Federal Funds] Resolution authorizing the City Librarian to accept and expend funds not to exceed \$696,579 available through the California State Library from Title II of the Library Services and Construction Act for Public Library construction, which includes indirect costs of the amount of \$43,997 or five percent of the total; companion measure to File 147-92-2. (Public Library)

- (k) File 147-92-4. [Grant - State Funds] Resolution authorizing the execution of grant contract with the California State Library for the award of a grant of Library Construction and Renovation Bond Act funds, which contract provides for the State to be indemnified and held harmless from all claims or damages which may arise in relation to the contract. (Public Library)
- (l) File 30-92-7. [Performance Contract for Mental Health Services] Resolution approving the San Francisco City and County Performance Contract for mental health services in Fiscal year 1991-92. (Department of Public Health)
- (m) File 94-92-3. [Grant - State Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$28,814,387 from 1991-92 State Proposition 116 Clean Air and Transportation Improvement Act funds and \$28,814,387 from local match funds to provide financing including \$1,640,169 of estimated indirect costs for nine Municipal Railway capital projects. (Public Utilities Commission)
- (n) File 146-92-21.1. [Grant - State Funds] Resolution authorizing the Department of Public Health, Bureau of Toxics, Health and Safety Services, to accept and expend a grant of \$49,950, which includes indirect costs of \$3,800 based on twenty percent of Department of Public Health salaries from the California Department of Fish & Game for the development of the San Francisco Oil Spill Prevention and Response Plan. (Department of Public Health)
- (o) File 146-92-49. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health, Special Project for Youth, to accept and expend a grant of \$90,466 from the Larkin Street Youth Center as the primary grantee of a grant from the Health Resources and Services Administration, for comprehensive health care to high risk and HIV-Positive youth; waiving indirect costs. (Department of Public Health)
- (p) File 146-92-15.1. [Release of Funds] Requesting release of reserved funds, Department of Public Health, AIDS Office, in an amount totalling \$200,529, for two contractors (\$110,837 Mission Neighborhood Health Center, for treatment advocacy, clinical trials advocacy and nutritional counseling, and \$89,692 Bayview Hunters Point Foundation for augmentation of its current detoxification services to HIV positive substance abusers of Color with traditional Chinese medicine treatments.) (Department of Public Health)

REGULAR CALENDAR

- 2. File 25-92-22. [Contracting Out City Services - Police Department] Resolution concurring with the Controller's certification that janitorial services can be practically performed for San Francisco Police Department facilities by private contractor for lower cost than similar work services performed by City and County employees. (Police Department)
(Cont'd from 7/8/92)

ACTION:

3. File 94-91-4.3. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in the amount of \$65,000, for Municipal Railway Contract No. MR-1039-R, Curtis E. Green Light Rail Facility, Geneva Site, Maintenance Building, Paint Booth Fans Modification. (Public Utilities Commission)
(Cont'd from 6/3/92)

ACTION:

4. File 65-92-10. [Sublease of Property] Ordinance authorizing and approving sublease of City-owned property at 25 Van Ness Avenue, portion of First Floor (Lot 4, Block 834) to the Veterans Administration, commencing August 1, 1992. (Real Estate Department)

ACTION:

5. File 52-92-4. [Authorization to Expend Private Funds] Resolution authorizing Department of Public Works to accept \$5,176 monetary compensation from property owners for the higher cost of procuring and installing special ornamental streetlight poles in Upper Ashbury Undergrounding District 309, Phase 2C. (Department of Public Works)

ACTION:

6. File 61-92-6. [Extending Duration and Increasing Contract Cost] Resolution approving Contract Modifications No. 1 and No. 2 to Water Department Contract WD-2088, repaving of street and sidewalk openings for the San Francisco Water Department for the Fiscal Year ending June 30, 1992. (Public Utilities Commission)

ACTION:

7. File 114-92-6. [Fees] Ordinance amending Part II, Chapter 1, of the San Francisco Municipal Code (Building Code) by adding Section 333.5 to impose fees for administering the unreinforced masonry building retrofit program. (Supervisor Achtenberg)

(Transferred from City Services Committee 7/7/92 - Fiscal Impact)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

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CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 13, 1992

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TO: Finance Committee

FROM: Budget Analyst *Gerry Roth*

SUBJECT: July 15, 1992 Finance Committee Meeting

Item 1a - File 25-92-24

Department: Parking and Traffic

Item: Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

Services to be Performed: Parking meter revenue collections

Description: The Controller has determined that contracting for these parking meter revenue collection services in fiscal year 1992-93 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operating Service Costs</u>		
Salaries	\$417,222	\$493,551
Fringe Benefits	109,811	125,650
Operating Expenses	<u>39,382</u>	<u>39,382</u>
Total	\$566,415	\$658,583
<u>Contracted Service Cost</u>	<u>371,323</u>	<u>371,323</u>
<u>Estimated Savings</u>	\$195,092	\$287,260

Comments:

1. Parking meter revenue collection services were first certified by Charter Section 8.3001-1 in 1978 and have been provided by an outside contractor since then.
2. The one-year contract with Burns International Securities Services, which expired June 30, 1992, included an option to extend the contract for the period July 1, 1992 to June 30, 1993. The Contracted Service Cost used for the purpose of this analysis is an informal bid from the current contractor. Burns International Securities is not a City-certified MBE or WBE.
3. The Controller's supplemental questionnaire with the Department of Parking and Traffic responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) Questionnaire

Department Parking and Traffic
Contract Services Collecting of Parking Meter Revenue
Time Period July 1, 1992 to June 30, 1993

1) Who performed services prior to contracting out?

City Employees

2) Number of City employees laid off as a result of contracting out?

None

3) Explain disposition of employees if they were laid off.

Charged with stealing public funds. The positions were abolished.

4) What percent of City employee's time is spent on services to be contracted out?

None

5) How long have services been contracted out?

Since March 1978

6) What was the first fiscal year for a Proposition J Certification?

1978

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The Contract will be bid and awarded by the Purchaser of the City and County of San Francisco in accordance with all applicable City Ordinances. Locally owned MBE/WBE will be solicited to bid on the contract in accordance with the past practice of that office.

Lee Poteet
Department Representative

Lee Poteet, Sr. Management Assistant
(Type Name, Title)
554-9819
Telephone

cxlquespj

Item 1b - File 28-92-8

Department: Department of Public Works (DPW)

Item: Resolution authorizing the Director of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work to clean the sewer in Fifth Street between Folsom Street and Bryant Street.

Amount: \$75,000

Source of Funds: Sewer Service Charge

Description: The DPW has determined that the six-foot sewer in Fifth Street between Folsom Street and Bryant Street is plugged with an estimated 400 cubic yards of material, causing sewage back-ups in the area, which constitutes a hazard to the public health and welfare.

In accordance with Section 6.30 of the Administrative Code, DPW initiated an expedited contracting procedure for the necessary emergency maintenance work on the sewer. DPW contracted with Shimmick/Nationwide Construction Inc., a Joint Venture firm. Nationwide Construction Inc. is a City-certified WBE firm. The maintenance contract is in the estimated amount of \$75,000.

Comments:

1. Mr. Richard Cunningham of the DPW reports that the DPW formally declared that an emergency existed, as a result of the plugged sewer, on June 17, 1992.
2. Mr. Cunningham advises that the maintenance work commenced on June 22, 1992 and is anticipated to be completed by July 31, 1992.

Recommendation: Approve the proposed resolution.

..

Item 1c - File 28-92-9

Department: Department of Public Works (DPW)

Item: Resolution authorizing the Director of the Department of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work to replace the failing sewer in Stockton Street between Broadway and Pacific Avenue.

Amount: \$74,940

Source of Funds: Clean Water Program Fund, Sewer Repair and Replacement Maintenance Fund

Description: The DPW has determined that the existing brick sewer in Stockton Street is structurally failing and is in danger of collapse, which constitutes a hazard to the public health and welfare.

In accordance with Section 6.30 of the Administrative Code, DPW initiated an expedited contracting procedure for the necessary construction work on the damaged sewer. DPW contracted with Coastal Construction Project Management, Inc. a City-certified MBE firm, on an emergency basis. Project costs are summarized as follows:

Construction Contract	\$74,940
DPW Bureau of Engineering	12,600
Construction Management (DPW)	12,000
Contingency	<u>7,494</u>
Total	\$107,034

Comments:

1. As noted above, the total project cost for the emergency construction work is \$107,034. The proposed legislation incorrectly includes an amount of \$74,940, which represents the Construction Contract cost only. Therefore, the proposed legislation should be amended to reflect total construction costs of \$107,034 instead of \$74,940.
2. Mr. Ramsis Attia of the DPW reports that the DPW formally declared that an emergency existed due to the damaged sewer, on June 11, 1992.
2. Mr. Attia advises that the construction work is anticipated to commence on July 17, 1992 and is projected to be completed by August 7, 1992.

Memo to Finance Committee
July 15, 1992

Recommendation: Amend the proposed legislation to reflect total construction costs of \$107,034, instead of \$74,940 and approve the proposed legislation as amended.

Item 1d - File 64-92-22

Department: Fine Arts Museum

Item: Resolution authorizing lease of real property at 233 Post Street for the Fine Arts Museum.

Location: 233 Post Street, portion of third floor and entire fifth and sixth floors

Purpose of Lease: Offices for the Fine Arts Museum staff while seismic upgrading of the Palace of the Legion of Honor is being done.

Lessor: Jay D. McEvoy, et al.

No. of Sq. Ft. and Cost per Month: Approximately 8,000 square feet @ \$1 per square foot, or \$8,000 per month.

Annual Cost: \$96,000

% Increase Over 1991-92: Not applicable. This is a new lease.

Utilities and Janitor Services Provided by Lessor: No. The City is responsible for paying for electricity and janitorial costs, which are estimated to be \$1,000 per month.

Term of Lease: August 1, 1992 or upon satisfactory completion of certain required alterations by Lessor through July 31, 1995.

Right of Renewal: The City would have the right to terminate the proposed lease if funds are not appropriated in subsequent fiscal years. In addition, the proposed lease provides the City with the option of assigning the lease to the Corporation for the Fine Arts Museum, and provides the option of extending the lease for an additional three years beyond July 31, 1995.

Source of Funds: 1989 Earthquake Safety Bond Fund

Description: The Fine Arts Museum is required to vacate the existing offices at the Palace of the Legion of Honor while seismic upgrading of that facility takes place. It is estimated that the seismic work will require two and a half years to complete. In October, 1991, the Board of Supervisors authorized a new lease of real property for the Fine Arts Museum offices at 795 8th Avenue for a term starting January 1, 1992 and ending December 31, 1997 (File 64-91-29). This office space consisted

of 7,070 square feet at \$1.25 per square foot per month (or \$8,837.50 per month, for an annual cost of \$106,050).

The Lessor for the property at 795 8th Avenue, Taldan Investment Company, subsequently went into foreclosure on the 8th Avenue property. Taldan's lender, Interگون, contacted the Fine Arts Museum in March, 1992, and informed the Museum that Taldan had defaulted on the property. The lease which the City had executed with Taldan had provided that Taldan had until seven months after the Board of Supervisors enacted the legislation authorizing the execution of the lease (or until May 9, 1992, since the Board approved the legislation on October 9, 1991) to deliver the property to the Fine Arts Museum for occupancy. Since Taldan was unable to deliver the 8th Avenue property to the Museum by May 9, 1992, the City terminated the lease with Taldan.

Presently, the Fine Arts Museum's administrative offices are located within the Legion of Honor and, according to Ms. Debbie Frieden of the Fine Arts Museum, it is imperative that the offices be vacated by August 31, 1992, so that the seismic upgrading of the Legion of Honor may proceed on a timely basis.

The Real Estate Department advises that upon the completion of the seismic upgrading of the Legion of Honor, the lease provides that the City has the option to assign the remaining term of this proposed lease to the Corporation of the Fine Arts Museum (COFAM), a non-profit corporation whose sole purpose is to support the projects and activities of the Fine Arts Museum.

Comments:

1. Ms. Frieden advises that the Museum's administrative and accounting offices at the Legion of Honor presently occupy approximately 8,126 square feet.
2. Ms. Frieden reports that if the Museum exercises its option to assign the lease for 233 Post Street to COFAM, this is likely to occur after July 31, 1995, when the seismic upgrading project is scheduled to be completed. As previously noted, the proposed lease is drafted to provide the option of renewing the lease for an additional three years beyond July 31, 1995. Ms. Frieden indicates that if the Fine Arts Museum exercises its option to assign the lease to COFAM beginning on August 1, 1995, funding for the proposed lease would be paid through COFAM funds, the source of which is private donations, museum memberships and revenues from museum shops and events. Ms. Frieden reports that COFAM would use the premises for office space

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for the Fine Arts Museum staff, which includes City as well as privately funded employees, who currently occupy various locations.

3. Mr. Lloyd Gardner of the Real Estate Department reports that the proposed annual rent of \$96,000 reflects below fair market value for the property because the Lessor is a strong supporter of the Fine Arts Museum. After reviewing the proposed lease to ensure that City bond funds would be used appropriately, the Chief Administrative Officer recommends to proceed with the proposed lease funded through City bond funds.

4. Mr. Gardner advises that the Lessor would provide all tenant improvements at the space at 233 Post Street at the Lessor's sole expense.

Recommendation: Approve the proposed resolution.

Item 1e - File 94-92-4

Departments: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution authorizing the Public Utilities Commission to apply for and accept \$3.1 million of Bridge Toll Funds to fund the San Francisco Municipal Railway Improvement Corporation (SFMRIC) lease payments and \$51.5 million of regional funds such as Federal Transit Administration (FTA) Sections 8 and 9 Operating Revenues, Transportation Development Act (TDA), State Transit Assistance (STA), AB 1107 half-cent sales tax revenues, and Bay Area Rapid Transit District funds for the 1992-93 Municipal Railway Operations, and authorizing the expenditure of the Section 8 Planning funds.

Grant Amount: \$54.7 million

Source of Funds:

	1992-93 <u>Proposed</u>	1991-92 <u>Actual</u>	Increase <u>(Decrease)</u>
<u>Operations</u>			
TDA Article 3, 4, 4.5			
MUNI Operations	\$18,162,041	\$23,362,041	(\$5,200,000)
STA Revenue Operating			
Assistance	6,041,229	6,255,767	(214,538)
AB 1107 Half Cent			
Sales Tax	18,188,892	19,858,892	(1,670,000)
FTA Section 8 Planning	64,000	41,200	22,800
FTA Section 9 Operating	7,507,831	7,507,831	(0)
BART Transfer Payment	<u>1,614,900</u>	<u>1,562,100</u>	<u>52,800</u>
Total Operations	\$51,578,893	\$58,587,831	(\$7,008,938)
<u>Capital Improvements</u>			
Bridge Toll Funds (for			
SFMRIC Lease			
Payments)	<u>\$ 3,132,070</u>	<u>\$3,358,285</u>	<u>(226,215)</u>
..			
Total Claims	<u>\$54,710,963</u>	<u>\$61,946,116</u>	<u>(\$7,235,153)</u>

As part of the allocation during FY 1992-93, the BART District has committed \$1,614,900 as a reimbursement to MUNI, which has been calculated as the value of patron trips made on MUNI to and from BART.

Comments:

1. The proposed resolution is the annual application for MUNI operating assistance for its share of State funds allocated by the Metropolitan Transportation Commission (MTC) for 1992-93 MUNI operations and capital improvements. The 1992-93 capital improvement funds are to be spent for the replacement of trolley buses and the rehabilitation of MUNI facilities. The operating assistance funds will be used to help support MUNI's annual budget.

2. An "expend" clause is not included in the proposed resolution regarding the Federal and State funds except for the \$64,000 in Section 8 Planning funds because authority for the spending of these funds, with the one exception of the Section 8 monies, will be included by the Board of Supervisors with the approval of the 1992-93 MUNI budget. Since the \$64,000 is excluded from the budget approval process, the proposed resolution only requests authority to spend the \$64,000 in planning funds. According to Ms. Kathleen Kelly of PUC's Finance Bureau, the \$64,000 is excluded from the MUNI budget (and from the budget approval process) because the \$64,000 is an annual project grant and is tracked as such by PUC.

3. The proposed resolution should be amended to authorize the PUC to apply for and accept \$51.6 million rather than \$51.5 million of regional funds, as the PUC anticipates applying for \$51,578,893, as reflected in the above budget. Ms. Kathleen Kelly of PUC's Finance Bureau advises that it would be appropriate to retain the \$3.1 million of Bridge Toll Funds rather than \$3,132,070 reflected in the current budget, and \$51.6 million of regional funds rather than \$51,578,893 in the proposed resolution since the specific amounts may change slightly when the PUC submits its finalized amounts in claims to the MTC.

4. According to PUC, the \$64,000 in Section 8 Planning funds will be spent for preparing MUNI's annual short-range transit plan (SRTP).

5. Ms. Kelly reports that the proposed FY 1992-93 figures provided in the proposed resolution are preliminary amounts, pending the provision of finalized amounts by MTC at approximately the end of August, 1992.

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Memo to Finance Committee
July 15, 1992

Recommendation: Amend the proposed resolution to authorize the PUC to apply for and accept \$51.6 million of regional funds. Approve the proposed resolution, as amended.

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Item 1f - File 94-92-5

Departments: Public Utilities Commission (PUC)
Municipal Railway (MUNI)
Department of Parking and Traffic (DPT)

Item: Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$1,704,000, including an estimated \$119,280 of indirect costs from 1992-93 State Traffic System Management funds for the Municipal Railway and also to apply for, accept and expend available Federal Petroleum Violation Escrow Account funds to support signal system pre-emption and other energy efficient transportation improvements.

Grant Amount: \$1,704,000

Grant Period: Approximately September 1, 1992 through August 31, 1993

Source of Funds: State Traffic System Management Funds and Federal Petroleum Violation Escrow Account Funds.

Project: MUNI Transit Signal Preemption Project

Description: In April, 1992, the Board of Supervisors approved a resolution authorizing the Public Utilities Commission to apply for, accept and expend \$437,000 from 1991-92 State Traffic System Management Funds for the purchase and installation of MUNI transit signal preemption equipment (File 94-92-1). These funds are to be used for preemption equipment for MUNI routes along Mission Street and Ocean Avenue.

The proposed resolution would authorize the PUC to apply for, accept and expend funds to support the continuation of the San Francisco Municipal Railway signal preemption project, which includes the continued purchase and installation of MUNI transit signal preemption equipment, and other energy efficient transportation improvements. MUNI, in conjunction with the Department of Parking and Traffic, have identified 65 additional intersections throughout the City as being high priority locations for the preemption equipment (see attachment for list of 65 intersections). The Department of Parking and Traffic is also involved in this project because MUNI and DPT need to coordinate traffic signal operations with the transit signal preemption equipment.

Preemption sensing devices would be installed on MUNI trolley coach and Light Rail Vehicle (LRV) overhead wires, which, when triggered by a passing trolley coach or LRV,

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would trip the traffic controller, causing the traffic signal at that intersection to turn green. By minimizing the amount of stops the trolley coaches and LRVs would have to make for traffic signals at 65 proposed sites, MUNI estimates that approximately 75,780 minutes of passenger travel time would be saved on an average workday, and approximately 16,248 trolley coach hours (or an annual savings of \$491,664 in operating costs) and 2,286 LRV operating hours (or an annual savings of \$117,203 in operating costs) would be saved each year. The PUC reports that operational savings would augment other MUNI system service requirements.

A demonstration project involving the installation of traffic signal preemption devices at four intersections in the City, was funded by Federal Aid Urban (FAU) monies and has been completed with positive results. The pre-emption project is now in its second phase, involving the installation of the preemption devices at 12 intersections. The proposed resolution relates to funding for the continuation of the second phase of the project, involving the installation of preemption devices at 65 intersections.

Budget:	Design and Construction Engineering	\$272,640
	Material and Installation Contracts	1,312,080
	Indirect Costs (30 percent of \$272,640)	81,792
	Project Administration Costs	<u>37,488</u>
	TOTAL PROJECT COSTS	\$1,704,000

Required Match: None.

Indirect Costs: \$81,792, or 30 percent of Design and Construction Engineering Costs (see Comment No. 7).

Comments:

1. The title of the proposed resolution authorizes the PUC to apply for, accept and expend monies from both State Traffic Management (TSM) funds and Federal Petroleum Violation Escrow Account (PVEA) funds, while the body of the proposed resolution authorizes the PUC to apply for, accept and expend monies from TSM and/or PVEA funds. Ms. Gail Bloom of the PUC Finance Bureau advises that the PUC's intent was to get the Board's approval to receive funds from either of the two sources. The PUC reports that there is a possibility that the State may make available PVEA funds to offset decreases in the availability of TSM monies, but that the PUC will not receive funding from both TSM and PVEA funds. Therefore, for the purposes of clarity, both the title and the body of the proposed resolution should be amended to authorize the PUC to apply for TSM or PVEA funds.

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2. Since there are two numerical errors in the proposed resolution, the proposed resolution should be amended to reflect that the budget for this project should include \$272,640 rather than \$272,000 for Design and Construction Engineering, and \$1,312,080 rather than \$1,264,820 for Material and Installation Contracts.

3. Mr. Mark Goldstein of PUC's Finance Bureau reports that as of the writing of this report, no specific details on contractors or the MBE/WBE status of contractors is yet available regarding the \$1,312,080 for Material and Installation Contracts. Mr. Goldstein advises that MUNT's Engineering Railway Division and the Department of Parking and Traffic are anticipated to conduct the design and construction engineering work for this project, which constitutes \$272,640 or 16 percent of the proposed grant.

4. Ms. Bloom reports that the PUC cannot apply for funding for the project until the State adopts a budget. As of the writing of this report, the PUC's best estimate is that the PUC will be able to apply for State funding on approximately September 1, 1992. The PUC is making this request to the Board of Supervisors at this time so as to be prepared and able to apply for monies as soon as a State budget is adopted. Since contract details are not yet available, including the MBE/WBE status of the contractors, the contract amount of \$1,312,080 should be placed on reserve.

5. A Summary of Grant Request Form was not yet available. A Disability Access Checklist is included in the file.

6. Attached is a list of the 65 intersections included in this project for the installation of preemption devices.

7. The proposed resolution notes that \$119,280 in indirect costs and project administration is included in the proposed grant. However, Mr. Goldstein advises that indirect costs total approximately \$81,792 while project administration costs total approximately \$37,488. Therefore, the proposed resolution should be amended to state that the proposed grant includes \$81,792 in indirect costs.

Recommendations: 1. Amend the proposed resolution to authorize the PUC to apply for TSM or PVEA funds and correct the numerical errors as listed in Comment No. 2 above.

2. Reserve \$1,312,080 pending determination of the MBE/WBE status of contractors and finalization of contract cost details.

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3. Amend the proposed resolution to state that the proposed grant includes \$81,792 in indirect costs.
4. Approve the proposed resolution, as amended.

PHASE II - PRE-EMPT SITES
PARALLEL CONGESTION RELIEVERS

INTERSECTION LOCATION	A. AVERAGE DELAY (Sec)	B. AVERAGE DAILY PASSENGERS PER LOCATION	C. COLUMN A x B
West Portal/Vicente (SS)+	10.0	19,100	191,000
West Portal/15th Ave.(SS)+	10.0	18,469	184,690
Duboce/Sanchez (SS)	10.0	17,685	176,850
Sacramento/Gough	14.5	12,051	174,739
Fillmore/Fulton	10.6	10,664	113,038
Judah/18th Ave. (SS)	10.0	10,666	106,660
Sutter/Hyde	15.1	5,917	89,346
Union/Fillmore	9.9	8,997	89,070
Sutter/Leavenworth	14.0	6,083	85,162
Church/23rd St. (SS)	10.0	5,590	55,900
Haight/Steiner	4.1	10,918	49,763
Sutter/Webster	7.0	5,155	36,085
Drumm/Sacramento (SS)	10.0	1,703	17,030
Eddy/Fillmore	9.0	14,440	129,960
Turk/Divisadero	9.0	11,623	104,607
Eddy/Laguna	9.0	6,664	59,976
Eddy/Webster	9.0	6,370	57,330
Eddy/Polk	9.0	6,346	57,114
Turk/Broderick	9.0	5,304	47,736
Turk/Chabot	9.0	5,063	45,567
Turk/Roselyn	9.0	5,063	45,909
Turk/Parker	9.0	5,027	45,243
Turk/Stanyan	9.0	4,974	44,766
Balboa/6th Ave.	9.0	4,654	41,886
Balbo/5th Ave.	9.0	4,700	42,300
Turk/Arguello	9.0	5,440	48,960
Turk/Taylor	9.0	3,397	30,573
Turk/Jones	9.0	3,365	30,285
Turk/Hyde	9.0	3,365	30,285
Turk/Leavenworth	9.0	3,344	30,096
Balboa/25th Ave.	9.0	3,329	29,961
Turk/Larkin	9.0	3,278	29,502
Eddy/Larkin	9.0	3,053	27,477
Eddy/Leavenworth	9.0	3,019	27,171
Eddy/Hyde	9.0	3,011	27,099
Eddy/Jones	9.0	2,983	26,847
Eddy/Taylor	9.0	2,870	25,830
Eddy/Mason	9.0	2,699	24,291
Eddy/Steiner (SS)	10.0	5,881	58,810
Balboa/15th Ave. (SS)	10.0	4,159	<u>41,590</u>
Total Weekday Seconds Delay			2,575,511
Total Weekday Minutes Delay			42,925

0:5: (SS) = Stop-Sign Controlled Intersection

CONTINUATION OF PHASE II
PRIORITY INTERSECTIONS
LOCATED ON PRINCIPAL ARTERIALS PER
TRANSPORTATION SYSTEM MANAGEMENT GUIDELINES

RANK ORDER	INTERSECTION LOCATION	A.	B.	C.
		AVERAGE DELAY (Sec.)	AVERAGE DAILY PASSENGER LOAD PER LOCATION	COLUMN A X B
1.	Mission/Highland	9.0	18,271	164,439
2.	Mission/Trumbull	9.0	17,067	153,603
3.	Mission/Silver	9.0	16,088	144,792
4.	Mission/Excelsior	9.0	14,870	133,830
5.	Mission/Brazil	9.0	14,174	127,566
6.	Mission/Persia	9.0	10,885	97,965
7.	Mission/Ocean	9.0	10,855	97,695
8.	Mission/Onondaga	9.0	10,449	94,041
9.	Mission/Italy	9.0	9,918	89,262
10.	16th St/Dolores	9.0	8,580	77,220
11.	16th St/Guerrero	9.0	8,540	76,860
12.	16th St/Valencia	9.0	8,021	72,189
13.	16th St/Folsom	9.0	7,188	64,692
14.	16th St/S. Van Ness	9.0	6,933	62,397
15.	16th St/Harrison	9.0	6,777	60,993
16.	Fulton/Stanyan	9.0	6,639	59,751
17.	Fulton/Arguello	9.0	6,450	58,050
18.	16th St/Bryant	9.0	6,024	54,216
19.	Fulton/6th Ave	9.0	5,796	52,164
20.	16th St/Potrero	9.0	5,272	47,448
21.	Fulton/8th Ave	9.0	5,094	45,846
22.	Fulton/Parker	9.0	4,671	42,039
23.	Fulton/10th Ave	9.0	4,467	40,203
24.	Fulton/25th Ave	9.0	3,062	27,558
25.	San Jose/Santa Rosa	9.0	2,988	<u>26,892</u>
Daily Time Savings:		Total seconds delay		1,971,300
		Total minutes delay		32,855
		Total hours delay		548

Item 1g - File 146-92-29

Department: Department of Public Health (DPH)
Community Public Health Services (CPHS)

Item: Resolution authorizing the Department of Public Health, Community Public Health Services, Special Programs for Youth, as a sub-grantee, in collaboration with Northern California Pediatric AIDS Treatment Center as prime grantee, to accept and expend the continuation of Federal grant funding, which includes indirect costs in the amount of \$11,659 based on five percent of the total direct grant funds and to establish clinical trial subunits and health services for youth.

Amount: \$244,840

Source of Funds: National Institute of Health's National Institute of Allergy and Infectious Disease

Grant Period: September 1, 1992 through August 31, 1993

Description: This would be the second year of funding for this project. The proposed grant funds would be used for the recruitment and retention of youth 13 to 21 years of age to provide improved treatment and to evaluate the applicability of adult and pediatric research findings. The objectives of the program are to provide prevention to high-risk youth, provide increased counseling tests at community-based primary care clinics serving youth, recruit a minimum of 16 youth into clinical trials for providing education, and quality clinical research and medical care for HIV-infected youth, and to evaluate the effectiveness of recruitment strategies.

The DPH reports that due to the lack of research on the youth population, the DPH's data available is very limited. The DPH also reports that there are still many unanswered questions about the manner in which the disease affects youth as compared with adults and children. Therefore, the establishment of clinical trial subunits would allow DPH to deliver improved treatment to youth, and to evaluate the applicability of adult research findings on youth.

Project Budget:	<u>Personnel</u>	<u>FTE</u>	
	Project Coordinator (Co-Director)	1.0	\$62,311
	Psychiatric Social Worker	1.0	44,858
	Peer/Client Advocate	1.0	27,700
	Management Assistant	0.8	34,828
	Fringe Benefits		<u>42,424</u>
	Total Personnel	3.8	\$212,121

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<u>Supplies</u>	\$5,626
<u>Travel</u>	7,074
<u>Other Expenses</u>	<u>8,360</u>
Total Direct Costs	\$233,181
<u>Indirect Costs @ 5% of Direct Costs</u>	<u>11,659</u>
Total Project budget	\$244,840

Indirect Costs: \$11,659, or five percent of the \$233,181 in direct costs. The prime grantee, the Northern California Pediatric AIDS Treatment Center's policy is to include only five percent of the subgrantees' total direct costs to be used for indirect costs.

Local Match: None.

- Comments:**
1. DPH reports that if the grant funds are reduced or terminated then the grant-funded positions would be similarly reduced or terminated. As noted above, the proposed grant award would fund a total of 3.80 FTEs.
 2. The \$5,626 budgeted for "Supplies" would be used to purchase four new desks, chairs, lamps, bookcases, health education materials, brochures, posters, and materials for training manuals for community providers and project staff.
 3. The \$7,074 budgeted for "Travel" would be used for six trips to the National Institute of Health's AIDS Clinical Trial Unit (ACTU) meetings for the Director and Co-Director on the project. The Director's position is in the DPH's FY 1992-93 budget, funded through the General Fund as Director for Special Program for Youth, and therefore is not part of the above-listed budget. As noted, the Co-Director on the project is the Project Coordinator. Each trip is estimated to cost \$1,179 and would be to the National Institute of Health in Bethesda, Maryland.
 4. The \$8,360 budgeted for "Other Expenses" would be used for taxi and food vouchers (\$30 per visit) for approximately 192 visits annually (12 visits per year for 16 youth) to assist the youth in getting to their destinations for clinical trials, and for books and subscriptions, phone installation and postage.
 5. The DPH reports that the prime grantee, the Northern California Pediatric AIDS Treatment Center did not require the DPH to submit an application for the proposed grant

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funds. Therefore, the DPH is not requesting authorization to apply for the proposed grant funds.

6. The proposed grant of \$244,840 is \$23,403 greater than the FY 1991-92 grant of \$221,437.

7. The DPH has completed a Disability Access Checklist which is in the file.

8. Attached is the "Summary of Grant Request" as completed by the DPH.

Recommendation: Approve the proposed resolution.

Northern California Pediatric AIDS
 TREATMENT CENTER (via NIAID)
 Division CPHS
 Section SPECIAL PROGRAMS FOR YOUTH
 Contact Person Anne Marie Benedicto
 Telephone (415) 753-7778
 Application Deadline N/A
 Notification Expected _____
 Amount Requested \$ 244,840
 Term: From 09-01-92 To 08-31-93
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation) to a grant in the amount of \$ 244,840 from the period of 09-01-92 to 08-31-93 to provide clinical trials for HIV positive youth and young adults services.
 (Circle appropriate words)

II. Summary: (Concise history; need addressed; number & groups served; services and providers)
 During 1991-92, SPY staff saw over 3500 clients. Available data indicates that increased counseling and testing will result in the identification of significant numbers of HIV+ youth. With NIH funding available through Northern California Pediatric AIDS Treatment Center, SPY will establish clinical trials subunits for youth to provide improved treatment and to evaluate the applicability of adult research findings.

III. Outcomes/Objectives:

To recruit and retain a minimum of 16 youth into clinical trials by providing education; to provide quality clinical research and medical care for HIV-infected youth; and to evaluate the effectiveness of recruitment strategies, new protocol designs, etc.

IV. Effects of Reduction or Termination of These Funds:

Funding for the registered nurse (Project coordinator), the psychiatric social worker, the peer/client advocate and the part-time management assistant positions will be absorbed into the existing subunits and/or assumed by alternative funding sources.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	N/A	221,437	244,840	+23,403	_____	_____
Personnel	_____	191,680	212,121	+20,441	_____	_____
Equipment	_____	0	0	0	_____	_____
Contract Svc.	_____	0	0	0	_____	_____
Mat. & Supp.	_____	3,778	5,626	+ 1,848	_____	_____
Facilities/Space	_____	0	0	0	_____	_____
Other	_____	15,434	15,434	0	_____	_____
Indirect Costs	_____	10,545	11,659	+ 1,114	_____	_____

VI. Data Processing

(non included items) N/A N/A N/A N/A _____

VII. Personnel

F/F CSC	1.0	3.0	_____	_____
P/F CSC	1.3	0.8	_____	_____
Contractual	_____	_____	_____	_____

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

Project employees will be absorbed into the pediatric and adult subunits upon termination of the funding.

VIII. Contractual Services: Open Bid _____ Sole Source _____ (If sole source, attach Request for Exemption Form)

Item 1h - File 146-92-50

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a supplemental State allocation to continue funding the AIDS Drug Program; providing for ratification of action previously taken.

Grant Amount: \$150,000

Source of Grant: California State Department of Health Services

Grant Period: April 1, 1992 through September 30, 1992

Project: AIDS Drug Program

Project Description: The Board of Supervisors previously approved a resolution (File 146-91-79) which authorized the Department of Public Health (DPH) to accept and expend a continuing allocation for the purchase of azidothymidine (AZT) and aerosolized pentamidine to low-income persons who are ineligible to receive MediCal, for July 1, 1992 through March 31, 1992. The original grant in the amount of \$1,450,000 provided approximately 944 prescriptions per month for nine months, or a total of 8,496 prescriptions, at a cost of approximately \$170 for each prescription. The proposed supplemental funding in the amount of \$150,000 would continue to provide azidothymidine (AZT) and aerosolized pentamidine for an additional six month period, which began on April 1, 1992 through September 30, 1992 (See Comment #1). Under the proposed supplemental grant, a total of approximately 147 prescriptions would be provided per month for six months, for a total of approximately 882 prescriptions, at a cost of approximately \$170 for each prescription.

Recipients who are eligible for these AIDS drugs must have a valid prescription from a licensed physician and must meet income eligibility criteria. The program would be administered by the AIDS Office and services would be provided by the Department of Pharmaceutical Services at San Francisco General Hospital.

No. of Persons to be Served: Approximately 147 prescriptions filled per month for six months

Grant Budget: The entire grant amount is to be expended on AZT and aerosolized pentamidine

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Local Match: None

Indirect Costs: Not allowed by the funder (See Comment #3).

Comments:

1. As noted above, the proposed resolution would provide for ratification of action previously taken. The DPH reports that expenses have been incurred against this award prior to approval of the full Board of Supervisors because of the late notification by the California State Department of Health Services that a supplemental allocation was being made to the DPH program.
2. The DPH was notified that the proposed supplemental funding was available to extend the AIDS drug program for six months, and therefore, the DPH did not have to apply for the proposed supplemental funds.
3. Although the body of the proposed resolution indicates that indirect costs are not allowed by the funder, the title of the proposed resolution should be amended to also indicate that the funder does not allow indirect costs and authorizing a waiver of indirect costs.
4. The DPH has submitted a Disability Access Checklist, which is in the file.
5. A Summary of Grant Request, as prepared by the DPH, is attached.

Recommendation: Amend the title of the proposed resolution to indicate that indirect costs are not allowed by the funder and authorizing a waiver of indirect costs. Approve the proposed resolution as amended.

Department of Health Services

Office of AIDS

Division CO/AIDS DivGrantor Office of AIDSSection AIDS OfficeContact Person Anna RamirezContact Person Tim PilandAddress P.O. Box 942732Telephone 554-9132Sacramento, CA 94234-7320Application Deadline n/aAmount Requested \$ 150,000Term: From 4/1/92 To 9/30/92Notification Expected Health Commission 6/16/92Board of Supervisors: Finance Committee Full Board

I. Item Description: Request to ~~(apply for)~~ (accept and expend) a ~~(new)~~ (continuation) (allocation) ~~(renewal)~~ grant in the amount of \$ 150,000 from the period of 4/1/92 to 9/30/92 to provide supplemental funding to AIDS Drug Program services.

II. Summary: (Concise history; need addressed; number + groups served; services and providers)

This program continues to provide AIDS-related drugs to non-MediCal-eligible, low-income persons who have a valid prescription from a licensed physician and who meet the income eligibility criteria; program is administered by AIDS Office and service provision is at San Francisco General Hospital pharmacy [Plans for the program include a decentralization through contracting with a non-profit provider to increase utilization and make drugs more easily available to program participants.]

III. Outcomes/Objectives:

These funds will supplement the latest amendment to the Standard Agreement (whose term began 1/1/90) for the six-month period from 4/1/92 through 9/30/92; with this supplemental funding and "rollover" from the previous nine-month amendment, the program will be supported through 9/30/92.

IV. Effects of Reduction or Termination of These Funds:

Failure to accept and expend these AIDS Drug Program funds would eliminate this program.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	<u>4,206,156</u>	<u>1,450,000</u>	<u>1,600,000</u>	<u>+150,000</u>	<u>none</u>	<u> </u>
Personnel	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equipment	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Contract Svc.	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Mat. & Supp.	<u>4,206,156</u>	<u>1,450,000</u>	<u>1,600,000</u>	<u>+150,000</u>	<u> </u>	<u> </u>
Facilities/Space	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Indirect Costs	<u> </u>	<u>Indirect costs not allowed by funder</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

VI. Data Processing

(from included above)

VII. Personnel

F/T CSC

P/T CSC

Contractual

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

None.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

VIII. Contractual Services: Open Bid Sole Source (check one and circle the other)

These funds will continue to support activities at San Francisco General Hospital pharmacy; future plans call for a decentralization through non-profit contractor.

Item 1i- File 146-92-51

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing DPH to accept and expend the continuation of State grant funding not to exceed \$2,615,796 for the Master Grant Agreement which includes indirect costs in the amount of \$75,322 based on ten percent of personnel costs, and to provide for ratification of action previously taken.

Amount: Not to exceed \$2,615,796

Source of Grant: State Department of Health Services, Office of AIDS

Term: July 1, 1992 through June 30, 1993

Project: Master Grant Agreement

Description: The proposed State grant funds would provide for the third year funding of a Master Grant Agreement between the State Office of AIDS and DPH. The Master Grant Agreement was established by the State Office of AIDS in February 1989 to consolidate the City's various AIDS-related programs. The programs which are now under this umbrella agreement were previously funded independently through the State Office of AIDS.

Under the Master Grant Agreement, the proposed grant funds would provide for the following six programs: (1) Alternative Test Sites; (2) Early Intervention Program; (3) Block Grant Funding; (4) Education and Prevention; (5) Pilot Care Projects; and (6) Residential AIDS Shelters. DPH would be responsible for administering the grant funds for the six programs. The program descriptions and budget details for the six programs are as follows:

Alternative Test Sites

\$581,793

DPH lab personnel would provide anonymous AIDS antibody testing and provide the State Office of AIDS with monthly updates regarding test results. DPH would also contract with the University of California, San Francisco (UCSF), AIDS Health Project to provide services such as informing test applicants on the test's reliability, pre-testing and post-testing counseling, some lab testing and making appropriate client referrals. The proposed grant funding would provide for approximately 11,500 AIDS antibody tests.

BOARD OF SUPERVISORS
BUDGET ANALYST

DPH selected UCSF AIDS Health Project through the Department's Request for Proposal process. The proposed budget for the Alternative Test Sites program is as follows:

DPH- Personnel

Salaries (3.25 FTE)	\$126,449	
Fringe Benefits (@ 26%)	<u>32,878</u>	
Subtotal Personnel		\$159,327

Operating Expenses

Materials/ Supplies	42,712	
Facilities/ Space	22,000	
Leasing MIS Services (includes computer services to track test results)	16,000	
Travel	3,500	
Other (telephone, postage, reproduction)	<u>10,500</u>	
Subtotal Operating Expenses		94,712

Contractual Services

UCSF AIDS Health Project	311,821
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<u>Indirect Costs (10% of DPH Personnel)</u>	<u>15,933</u>
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Total	\$581,793
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Early Intervention Program \$286,595

DPH would contract with the Mission Neighborhood Health Center for the provision of direct Early Intervention Program services. These services would include maximizing the health and productivity of HIV positive persons through medical evaluations, laboratory monitoring, psychological support, case management, follow-up and referral for out of clinic services. The proposed grant funding would provide services to approximately 200 HIV positive persons.

DPH would contract with the Mission Neighborhood Health Center on a sole source basis, due to the need for continuity and the uniqueness of the services provided. The proposed budget for the contractual services of the Mission Neighborhood Health Center for the Early Intervention Program is as follows:

Mission Neighborhood Health Center

Personnel

Salaries (5.55 FTE)	\$179,120	
Fringe Benefits (25% of Personnel)	<u>46,571</u>	
Subtotal DPH Personnel		\$225,691

<u>Contractual Personnel</u>		8,564
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Operating Expenses

Travel	3,000	
Other (telephone, postage, office supplies, printing, utilities)	4,742	
Educational Materials/Outreach	1,284	
Malpractice Insurance	1,382	
Clinical Supplies	<u>21,620</u>	
Subtotal Operating Expenses		32,028

<u>Indirect Costs at 9% of Personnel</u>	<u>20,312</u>
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Total	\$286,595
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<u>Block Grant Funding</u>	<u>\$545,500</u>
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Under the Block Grant Funding, DPH's AIDS Office would provide technical management assistance to a variety of AIDS Office programs which receive primarily local and Federal funding. This assistance includes allocating funds, developing contracts, budget coordination, invoicing documents, conducting evaluations and data entry. In addition, the funding would provide 3,300 confidential HIV-antibody tests by the Public Health lab prescribed by private physicians. The proposed budget for the Block Grant Funding program is as follows:

DPH- Technical Assistance

Administrative Salaries (8.25 FTE)	\$323,523	
Lab Personnel (3.0 FTE)	96,180	
Fringe Benefits (26% of Personnel)	<u>109,123</u>	
Subtotal Personnel		\$528,826

Operating Expenses

Clinical Supplies	16,674	
<u>Indirect Costs*</u>	<u>0</u>	

Total	\$545,500
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* Since the Block Grant Funding involves primarily administrative functions, the State Office of AIDS does not allow DPH to include indirect costs.

Education and Prevention

\$675,423

DPH would provide administrative oversight to direct services contracted out through Operation Concern, 18th Street Services, Hispanic Headquarters Advertising, City Clinic Youth Advocacy Program, and Women's Institute on Mental Health. The DPH would coordinate, direct and monitor the services for each contractor. The proposed grant funded contract programs would provide information and education services to approximately 4,400 targeted individuals including gay and bisexual males, IV drug users, ethnic minorities and health service providers. The program services provided would increase the client's awareness about AIDS transmission and prevention through group and individual AIDS and risk reduction counseling. In addition, DPH estimates that a media campaign targetting gay and bisexual men of color would reach approximately 48,750 individuals.

Contracts for the Education and Prevention Program for FY 1992-93 were chosen on a competitive basis. The proposed budget for the Education and Prevention program is as follows:

DPH Personnel

Salaries (3.5 FTE)	\$155,262	
Fringe Benefits (@ 26%)	<u>40,368</u>	
Subtotal Personnel		\$195,630

Contractual Services

Operation Concern/LYRIC(10 mos.)	75,000	
18th Street Services (10 mos.)	75,000	
Women's Institute on		
Mental Health	92,293	
Hispanic Headquarters Advertising	73,000	
City Clinic Youth Advocacy Program		
(10 mos.)	<u>111,305</u>	
Subtotal Contractual		426,598

Operating Expenses

Facilities Rental	18,875	
Materials and Supplies	3,000	
Health Education Materials	2,000	
Consultants	2,625	
Travel	1,000	
Other (telephone, postage, training)	<u>6,132</u>	
Subtotal Operating Expenses		33,632

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Indirect Costs (10% of DPH Personnel) 19,563

Total \$675,423

The proposed budgets for the Education and Prevention contractual services, totalling \$426,598 are as follows:

Operation Concern/LYRIC

Personnel

Salaries (1.75 FTE)	\$45,000	
Fringe Benefits (@ 20%)	<u>9,000</u>	
Subtotal Personnel		\$54,000

Operating Expenses

Facilities Rental	4,096	
Materials and Supplies	3,500	
Health Education Materials	1,500	
Travel	554	
Other (telephone, postage, training)	<u>3,850</u>	
Subtotal Operating Expenses		13,500

Indirect Costs (11% of Direct Costs) 7,500

Total \$75,000

18th Street Services

Personnel

Salaries (2.25 FTE)	\$50,000	
Fringe Benefits (@ 26%)	<u>13,000</u>	
Subtotal Personnel		\$63,000

Operating Expenses

Materials and Supplies	458	
Property Rental	2,850	
Health Education Materials	1,000	
Travel	285	
Other (telephone, postage, training courier services, advertising,)	<u>1,107</u>	
Subtotal Operating Expenses		5,700

Indirect Costs (10% of Personnel) 6,300

Total \$75,000

Women's Institute on Mental Health

Personnel

Salaries (2.0 FTE)	\$53,460	
Fringe Benefits (@ 26%)	<u>13,900</u>	
Subtotal Personnel		\$67,360

Operating Expenses

Rental of Facility	\$7,010	
Materials and Supplies	4,450	
Health Education Materials	2,505	
Travel	160	
Other (telephone, postage, training consultation, utilities)	<u>3,187</u>	
Subtotal Operating Expenses		17,312

<u>Indirect Costs @ 9.0% of Direct Costs</u>	<u>7,621</u>	
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Total		\$92,293
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Hispanic Headquarters Advertising

Personnel

Salaries (.08 FTE)	\$6,000	
Fringe Benefits (@ 20%, contributed in kind))		<u>0</u>
Subtotal Personnel		\$6,000

Operating Expenses

Consultants (260 hrs @ \$25.00 consult targeted minorities on using the media)	6,500	
Media Buying (1,400 Internal Bus Cards @ \$3.00 each, Radio/Television spots @ \$50-\$100 each)	<u>58,500</u>	
Subtotal Operating Expenses		65,000

<u>Indirect Costs(@ 2.8% of Direct Costs)</u>	<u>2,000</u>	
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Total		\$73,000
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City Clinic Youth Advocacy Program

Personnel

Salaries (2.50 FTE)	\$70,900	
Fringe Benefits (@ 26%)	<u>18,434</u>	
Subtotal Personnel		\$89,334

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Operating Expenses

Materials and Supplies	500
Health Education Materials	1,000
Travel	1,000
Other (telephone, postage, training courier services, advertising,)	<u>10,538</u>
Subtotal Operating Expenses	13,038

<u>Indirect Costs</u> (10% of Personnel)	<u>\$8,933</u>
Total	\$111,305

Total for Education and Prevention Contractual Services	\$426,598
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Pilot Care Projects \$439,707

For the Pilot Care Projects, DPH would provide direct support services to AIDS patients and patients diagnosed with AIDS-related complex (ARC). (ARC patients are persons who have tested positive for HIV infection, but who have not been completely diagnosed with AIDS.) In addition, the DPH's public health nurses would provide case management and home and community-based care coordination for people with AIDS and ARC. The proposed grant funding would provide services to approximately 85 persons with AIDS and ARC per month. The proposed budget for the Pilot Care Projects is as follows:

DPH- Personnel

Salaries (5.5 FTE)	\$316,078
Fringe Benefits (@ 26%)	<u>82,180</u>
Subtotal Personnel	\$398,258

<u>Travel (local)</u>	1,623
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<u>Indirect Costs</u> (10% of DPH Personnel)	<u>39,826</u>
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Total	\$439,707
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Residential AIDS Shelters \$86,778

DPH would contract with Catholic Charities and the Shanti Project for provision of direct program services. The two contracts with Catholic Charities and the Shanti Project would provide housing and food services for persons with AIDS, predominantly women and children. These services would include providing homes to persons with AIDS where they may receive a clean, safe and healthy environment throughout the duration of their residence in these shelters.

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BUDGET ANALYST

The proposed grant funds would provide approximately 2,730 single-day slots. According to DPH, these shelters maintain a minimum of 70 percent occupancy at all times.

DPH would contract with Catholic Charities and the Shanti Project on a sole source basis, due to the need for continuity and the uniqueness of the services provided. The proposed individual budgets for the contractual services of Catholic Charities and the Shanti Project are as follows:

Contractual Services - Catholic Charities

Personnel

Salaries (1.18 FTE)	\$34,333	
Fringe Benefits (@ 25%)	<u>8,583</u>	
Subtotal Personnel		\$42,916

Catholic Charities Indirect Costs

(9% of Personnel)	<u>3,862</u>	
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Subtotal Catholic Charities		\$46,778
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Shanti Project

Personnel

Salaries (0.4 FTE)	\$11,817	
Fringe Benefits (@ 23%)	<u>2,718</u>	
Subtotal Personnel		\$14,535

Operating Expenses

Rental of Facility	8,065	
Materials	2,401	
Facility Maintenance	4,906	
Utilities	<u>6,457</u>	
Subtotal Operating Expenses		21,829

<u>Shanti Indirect Costs</u> (10% of Direct Costs)	<u>3,636</u>	
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Subtotal Shanti Project		\$40,000
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Total Catholic Charities and Shanti Project		<u>\$86,778</u>
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Grand Total for Six Projects		\$2,615,796
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Required Match: None

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BUDGET ANALYST

Comments:

1. Mr. Tim Piland of the DPH, AIDS Office reports that if grant funding were reduced or terminated, personnel would be reduced or terminated accordingly.
2. Attached is the Health Commission's "Summary of Grant Request" as prepared by DPH for the State grant fund.
3. A Disability Access Checklist is located in this file.
4. Retroactive funding should be provided for in the proposed resolution for contractual services because each of the eight contractors has been providing services since July 1, 1992.

Recommendation: Amend the proposed resolution to provide for retroactive funding, and approve as amended.

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Item No. _____ Office of AIDS
 Health Commission - Summary of Grant Request Rev. 4/10/90

Grantor California Dept of Health Services Division CO/AIDS Div
 Contact Person Julie Ayala Section AIDS Office
 Address Box 942732 Contact Person Tim Piland
Sacramento, CA 93234-7320 Telephone 554-9132
 Amount Requested \$ 2,615,796 Application Deadline n/a
 Term: From 7/1/92 To 6/30/93 Notification Expected n/a
 Health Commission 6/16/92 Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to ~~(apply for)~~ (accept and expend) a ~~(new)~~ (continuation) (allocation) ~~(augmentation)~~
 (Circle appropriate words) grant in the amount of \$2,165,796 from the period of 7/1/92 to 6/30/93
 to provide Master Grant Agreement consolidated funding services.

II. Summary: (Concise summary of need addressed; number & groups served; services and providers)

The Master Grant Agreement is a funding mechanism used by the California Department of Health Services as an umbrella agreement for allocating funding in six different program areas. Attachment I describes the programs funded under each individual component.

III. Outcomes/Objectives:

Please see Attachment I.

IV. Effects of Reduction or Termination of These Funds:

The reduction or termination of these funds would seriously undermine the well-being of persons with AIDS/ARC.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	<u>2,790,004</u>	<u>2,787,546</u>	<u>2,615,796</u>	<u>- 171,750</u>	<u>none</u>	
Personnel						
Equipment			<u>Please see Attachment II.</u>			
Contract Svc.						
Mat. & Supp.						
Facilities/Space						
Other						
Indirect Costs						

VI. Data Processing

(as indicated above)

VII. Personnel

F/T CSC	<u>27.15</u>	<u>26.06</u>			
P/T CSC					
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Other AIDS Office grant funding.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if source used, name for funding for)
Please see Attachment III.

Item 1j - File 147-92-2.1

Department: Public Library

Item: Resolution authorizing the City Librarian to accept and expend funds not to exceed \$696,579 available through the California State Library from Title II of the Library Services and Construction Act, which includes indirect costs in the amount of \$43,997, or five percent of the total grant.

Grant Amount: Not to exceed \$696,579

Source of Funds: California State Library

Grant Period: January, 1993 to April, 1995

Description: The Board of Supervisors previously approved legislation authorizing the Library to apply for the proposed grant funds in an amount not to exceed \$879,935, (File 147-92-2). The Public Library advises that, in the interim, the State has notified the Department that the allocation will be in an amount not to exceed \$696,579 or \$183,356 less than the original not to exceed amount of \$879,935. The Public Library advises that the proposed grant funds would be used to expand the scope of renovation work for the Mission Branch Library to include (1) expansion of the building to the property line to provide a 25 percent increase to the public area of the Mission Branch and to improve the quality of staff work spaces, (2) creation of a single level on the first floor to provide an additional enhancement to handicapped accessibility, (3) expansion of the Children's Department to provide for a reading room area and a separate area for special activities and (4) creation of an area for tutoring and public access to microcomputer use.

Comments: 1. The Public Library has requested that the proposed legislation be continued to the July 29, 1992 meeting of the Finance Committee to allow additional time for the Department to provide budget details for the proposed grant funds.

2. The Public Library reports that the reference to \$43,997 for indirect costs in the title of the proposed legislation is incorrect. The correct amount is \$34,829 or five percent of the total grant amount of \$696,599. The Department advises that an Amendment to the Whole on the proposed legislation will be prepared and submitted to the Board of Supervisors prior to the July 29, 1992 meeting of the Finance Committee.

Memo to Finance Committee
July 15, 1992

Recommendation: Continue the proposed resolution to July 29, 1992, as requested by the Department.

Item 1k - File 147-92-4

Department: Public Library

Item: Resolution authorizing the execution of a grant contract with the California State Library for the award of a grant of Library Construction and Renovation Bond Act funds, which contract provides for the State to be indemnified and held harmless from all claims or damages which may arise in relation to the contract.

Contract Amount: \$2,484,573

Source of Funds: California State Library

Description: The Board of Supervisors previously approved legislation authorizing the Public Library to apply for, accept and expend California Library Construction and Renovation Bond Act grant funds in an amount not to exceed \$3,100,000 (File 147-91-5). The Public Library reports that the actual grant amount allocated by the State was \$2,484,573. These grant funds are to be used to expand the scope of work for the Chinatown Branch Library which is, according to the Library, the City's busiest branch. The City is in the process of using 1988 Library Improvement Bond Funds to renovate and improve various branch libraries. The City will be using the 1988 Library Improvement Bond funds at the Chinatown Branch for seismic upgrading, accessibility to the disabled and improved electrical wiring. The California Library Construction and Renovation Bond Act grant funds will allow the Library to double the size of the Chinatown Branch Library and significantly improve both public spaces and the staff work space, thereby enabling additional services to be provided.

The Public Library advises that the City must enter into the proposed grant contract with the State in order to receive the \$2,484,573 in Library Construction and Renovation Bond Act grant funds.

Comment: The Public Library has requested that this item be continued to the July 29, 1992 meeting of the Finance Committee in order to allow the Department additional time to provide budget details on the Chinatown Branch Library renovation project.

Recommendation: Continue the proposed resolution to July 29, 1992, as requested by the Department.

Item 11 - File 30-92-7

- Department:** Department of Public Health (DPH)
Community Mental Health (CMH)
- Item:** Resolution approving the San Francisco City and County Performance Contract for mental health services in fiscal year 1991-92.
- Description:** State Assembly Bill 1288 established the annual County Performance Contract as the basis for State reimbursement for County mental health services. The Performance Contract must be approved by the Board of Supervisors prior to its submission to the State. The proposed resolution would provide approval of the San Francisco City and County Performance Contract for mental health services provided during fiscal year 1991-92 (See Comment #1).
- Under the "realignment" legislation approved by the State during 1991-92, the performance contract replaces the previously required annual County Short Doyle Plan for State reimbursement for County mental health services. The DPH reports that this new performance contract, which the proposed resolution would adopt, requires general assurances regarding maintenance of effort, a series of administrative assurances regarding County compliance with Federal and State regulations, a commitment to continue supplying selected client and cost information, compliance with basic service delivery principles and submissions of documents supporting various State regulations.
- Comments:**
1. The DPH reports that because the contract document was not received from the State until June 2, 1992, the DPH is requesting the Board of Supervisors to authorize the performance contract for services which have previously been provided during FY 1991-92. In addition, according to Mr. Larry Doyle of the DPH, the DPH has already received its allocation for FY 1991-92 in the amount of \$4,174,205. Mr. Doyle explains that it is anticipated that for FY 1992-93, the performance contract would be submitted to the Board of Supervisors prior to receiving the allocation. Mr. Doyle also explains that because of delays with the State, the performance contract for FY 1991-92 is being submitted to the Board of Supervisors after the allocation has been received, and the services have been provided. However, because the proposed resolution already indicates that it would provide for a performance contract for mental health services in fiscal year 1991-92, the proposed resolution does not have to

be amended to authorize a performance contract for mental health services retroactively.

2. For FY 1990-91, CMH received a total allocation of approximately \$26.3 million from the State Department of Mental Health as Short Doyle revenues. As noted above, the allocation which has been received for FY 1991-92 was approximately \$4.2 million. Mr. Doyle explains that the total State allocation received for FY 1991-92 has basically remained unchanged. However, the difference of approximately \$22.1 million was funded through realignment revenues rather than Short Doyle funds. Realignment revenues are funded through a combination of State Vehicle License Fees and a \$0.50 sales tax.

Recommendation: Approve the proposed resolution.

Item 1m - File 94-92-3

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution to authorize the Public Utilities Commission (PUC) to apply for, accept, and expend funds from the 1991-92 State Proposition 116 Clean Air and Transportation Improvement Act funds and funds from local match funds such as State Transit Assistance funds, Bridge Toll Net Revenues, Regional Measure One Bridge Toll Revenues, and/or Bay Area Rapid Transit District funds, Hetch Hetchy funds, Transit Impact Development Fees, Transportation Sales Tax Revenues, and/or the San Francisco Municipal Railway Improvement Corporation funds to provide financing including \$1,640,169 of estimated indirect costs for nine Municipal Railway Capital Projects.

Grant Amounts: State Proposition 116 Clean Air and Transportation Improvement Act \$28,814,387
Local Match Program Funds 28,814,387
Total \$57,628,774

Project Budget:

<u>Project</u>	<u>Total Project Costs</u>	<u>State Funds</u>	<u>1991-92 Request Local Match</u>	<u>Total Request</u>
Articulated Trolley Coach Replacement	\$22,726,766	\$2,354,743	\$2,354,743 (1) (3)	\$4,709,486
MUNI Metro Turnback Potrero Division Rehabilitation	202,360,764	11,682,282	11,682,282 (2)	23,364,564
Geneva/Green Capacity Modification	16,185,480	1,530,000	1,530,000 (3)	3,060,000
Misc Rail Maintenance & Repair Equipment Acquisition	8,232,000	3,000,000	3,000,000 (2)	6,000,000
Subway Signal System Replacement	3,000,000	1,500,000	1,500,000 (2)	3,000,000
MUNI Metro Extension to Sixth Street	38,094,724	6,247,362	6,247,362 (2)	12,494,724
F-MARKET/EMBARCADERO PCC Streetcar Rehabilitation	52,949,850	1,500,000	1,500,000 (2)	3,000,000
Rail Replacement	1,000,000	500,000	500,000 (2)	1,000,000
Totals	\$356,766,743	\$28,814,387	\$28,814,387	\$57,628,774

(1) Bridge Toll Net and Regional Measure One Bridge Toll Revenues are distributed by the Metropolitan Transportation Commission (MTC) for transit capital projects.

(2) The local sales tax provides funds to build transportation capital improvements, to rehabilitate existing facilities and fund operations of the new facilities. The sales tax will generate over \$45 million annually over the next eighteen (18) years to support transportation needs in the City transportation service providers.

(3) San Francisco Municipal Railway Improvement Corporation (SFMRIC) is a nonprofit corporation established in 1969 to provide capital improvement funds for the MUNI. SFMRIC has sold tax-exempt bonds to raise capital for the purchase of rolling stock and the construction or rehabilitation of facilities. At the end of June 1991, the SFMRIC Board had approximately \$12 million available for Municipal Railway projects.

Description: Articulated Trolley Coaches Purchase/Replacement (\$4,709,486)
Equipment purchases of up to 35 Trolley Coaches

This purchase would secure up to 35 new articulated trolley coaches and for related spare parts. To assure their acquisition by the end of 1993, capital funds should be available at this time. The cost estimates are based upon bids received by other transit properties and include 7% sales tax, inspection, acceptance and delivery costs, spare parts and the installation of fareboxes and communication equipment.

Municipal Railway Metro Turnback (\$23,364,564)

Final Design Engineering/Construction, Including Right-of-Way

This project involves the construction of an underground MUNI Metro subway tunnel extension east of the BART/MUNI Embarcadero Station and under Justin Herman Plaza, coming to grade via portal in the median of a rebuilt Embarcadero Boulevard. The project provides for a portal between Howard and Folsom Streets, with surface tracks extended within the Embarcadero median southward to the block between Folsom and Harrison Streets. Tracks for train switching would be constructed under the surface of the Embarcadero between Market and Howard Streets.

Potrero Division Rehabilitation (\$3,060,000)
Construction

The completion of the rehabilitation of the Potrero Trolley Coach Division facility is required to provide and accommodate an appropriate maintenance and pull-out base storage facility for 60 new articulated trolley coaches currently in the process of purchase and due for revenue service in 1992. These new articulated trolley coaches will: (1) enhance service delivery on lines with excessive peak load factors and (2) provide accessibility features for mobility

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impaired riders where previously none were available on trolley coach lines.

Geneva and Green Center Capacity Modifications (\$6,000,000)
Final Design Engineering and Construction

The F-MARKET-EMBARCADERO Streetcar fleet will be housed at Geneva Yard. These streetcars are wider and taller than the normal Light Rail Vehicles (LRV). In addition, these streetcars require trolley wire overhead, whereas the current overhead configuration is for pantographs used by LRV's.

Miscellaneous Rail Maintenance and Equipment Acquisition (\$3,000,000)

Equipment Purchase

Purchase new and replacement service vehicles for continuous operational support for MUNI's maintenance, administrative and supervisory functions (see Footnote in Comment 3) These vehicles will be used for the MUNI Metro, Trolley Bus and Cable Car systems used to repair and refurbish components of MUNI's various fixed guide way systems.

Subway Signal System Replacement (\$12,494,724)
Final Design Engineering

This project would enable MUNI to modernize the signal system in the MUNI Metro subway with a system that provides greater safety and allows for closer headways. Project design was initiated in 1988 with local resources. Subsequent phases involve the installation of on-board and wayside computers and an upgraded central control computer.

MUNI Metro Extension to Sixth Street (\$3,000,000)
Final Design Engineering

This project will extend the MUNI Metro light-rail system from the proposed terminus at Harrison Street on the Embarcadero initially south to Sixth Street. The extension, a 1.8 mile double-track, would run between a relocated MUNI Metro Turnback on the Embarcadero to the Caltrain depot with an adjoining terminal at Sixth Street. This stop lies within the proposed Mission Bay project area. The trackway would follow an alignment in the median of a rebuilt Embarcadero Boulevard to the median of King Street rebuilt as a boulevard leading to and from the new I-280 on and off ramps. It would include four new at-grade stations within

the Embarcadero and King Boulevard medians at the probable locations at Hills Plaza/Rincon Hill, Townsend/Embarcadero, Second/King Street and Fourth/King Streets (Caltrain Depot).

**F-MARKET/EMBARCADERO PCC Streetcar Rehabilitation
(\$1,000,000)**

Equipment Rehabilitation

This project will support the initial service on the proposed F-MARKET EMBARCADERO line with the rehabilitation of 18 Presidential Conference Cars (PCCs), the vintage green streetcars used on Market Street prior to the undergrounding and the replacement of that streetcar system with the current Light Rail Vehicles (LRVs). This project will be followed by a second group of eight (8) additional rehabilitated PCCs, as required by increments in service. The PCCs will be purchased from Southeast Pennsylvania Transit Authority (SEPTA) for rehabilitation by MUNI. The additional eight cars will be rehabilitated in 1995, pending ridership requirements.

Rail Replacement (\$1,000,000)

Preliminary and Final Design Engineering and Construction

This project will replace worn rails with special work in several locations throughout the Municipal Railway system.

Comments:

1. The \$356,766,743 total 1991-92 cost of the nine (9) projects, including the \$57,628,774 identified in this legislation is divided equally between State Proposition 116 Clean Air and Transportation Improvement Act funds and local match funds as identified above. However, a portion of the local match totaling \$24,929,644, which is from sales tax revenues, has already been approved by the Transportation Authority as provided for with the passage of Proposition B. Therefore, the subject resolution should be amended to reduce the amount of the local share by \$24,929,644, from \$28,814,387 to \$3,884,743, as follows:

Local Match Funds Subject to Board of Supervisors Approval:

Articulated Trolley Coach Replacement	\$2,354,743	
Potrero Division Rehabilitation	<u>1,530,000</u>	
Subtotal		\$3,884,743

Local Match Funds Not Subject to Board of Supervisors Approval:

MUNI Metro Turnback	\$11,682,282	
Geneva/Green Capacity Modification	3,000,000	
Misc Rail Maintenance & Repair Equipment Acquisition	1,500,000	
Subway Signal System Replacement	6,247,362	
MUNI Metro Extension to Sixth Street	1,500,000	
F-MARKET/EMBARCADERO PCC Streetcar Rehabilitation	500,000	
Rail Replacement	<u>500,000</u>	
Subtotal		\$24,929,644
Total Local Share		\$28,814,387

2. Therefore the total amount of funds subject to this legislation is \$32,699,130, \$28,814,387 in State Proposition 116 Clean Air and Transportation Improvement Act funds and \$3,884,743 in local match consisting of Bridge Toll revenues and San Francisco Municipal Railway Improvement Corporation (SFMRIC) funds.

3. The total of \$32,699,130 in State and local match funds is divided into six phases among the nine projects as follows:

In-House Project Engineering

Articulated Trolley Coach Replacement	\$271,702	
MUNI Metro Turnback	365,071	
Potrero Division Rehabilitation	318,138	
Geneva/Green Capacity Modification	311,899	
Misc Rail Maintenance & Repair Equipment Acquisition	147,115	
Subway Signal System Replacement	1,201,416	
MUNI Metro Extension to Sixth Street	140,625	
F-MARKET/EMBARCADERO PCC Streetcar Rehab.	28,845	
Rail Replacement	<u>312,500</u>	
		\$3,097,311

Professional Services

Articulated Trolley Coach Replacement	353,212	
MUNI Metro Turnback		
Contractor: Bechtel/Sedgwick/James	1,752,342	
MUNI Metro Extension to Sixth Street		
Contractor: Forster Jordan	75,000	
F-MARKET/EMBARCADERO PCC Streetcar Rehab.		
Contractor: Wong	<u>37,500</u>	
		2,218,054

Construction

MUNI Metro Turnback	\$9,345,825	
Potrero Division Rehabilitation		
Contractor: Barnes	2,295,000	
Geneva/Green Capacity Modification	2,250,000	
Subway Signal System Replacement		
Contractor: Alcatel	4,685,522	
MUNI Metro Extension to Sixth Street	<u>1,200,000</u>	
		\$19,776,347

Equipment Purchase and Rehabilitation

Articulated Trolley Coach Replacement	\$4,003,064	
Misc Rail Maintenance & Repair Equipment Acq. *	1,275,000	
F-MARKET/EMBARCADERO PCC Streetcar Rehab.		
Contractor: Morrison Knudsen	<u>425,000</u>	
		5,703,064

* Partial purchases of a rail grinder (\$625,000) a tunnel washer (\$400,000) high-rail lift truck (\$64,500) digger-boom (\$61,500), line truck (\$90,000) and 10-wheel flat bed truck (\$34,000). This totals \$1,275,000. The balance from the \$3,000,000 request as reflected in this resolution as has been provided from previously approved sales tax revenues.

Indirect Costs

Articulated Trolley Coach Replacement	\$81,510	
MUNI Metro Turnback	219,042	
Potrero Division Rehabilitation	446,862	
Geneva/Green Capacity Modification	438,101	
Misc Rail Maintenance & Repair Equipment Acquisition	77,885	
Subway Signal System Replacement	360,425	
MUNI Metro Extension to Sixth Street	84,375	
F-MARKET/EMBARCADERO PCC Streetcar Rehabilitation	8,654	
Rail Replacement	<u>187,500</u>	
		<u>1,904,354</u>
Total		\$32,699,130

4. Ms. Gail Bloom of the PUC Finance Bureau advises that the PUC has not begun their process to develop a Request for Proposal (RFP) for certain project phases including Professional Services, Construction and Equipment Purchase totaling \$16,975,495 for the following:

Professional Services

Articulated Trolley Coaches Purchase/ Replacement	\$176,606	
Subtotal		\$176,606

Construction

Municipal Railway Metro Turnback	\$9,345,825
Geneva/Green Capacity Modification	2,250,000
MUNI Metro Extension to Sixth Street	<u>1,200,000</u>

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Subtotal		\$12,795,825
Equipment Purchase		
Articulated Trolley Coaches Purchase/Replacement	<u>\$4,003,064</u>	
Subtotal		<u>4,003,064</u>
Total		\$16,975,495

5. Ms. Bloom also advises that the current MBE/WBE/LBE goal for MUNI capital projects for FY 1991-92 is 32 percent and, through the second quarter, the actual amount in MBE/WBE/LBE contracts is 31 percent, one percent lower than their stated goal.

6. The subject resolution title includes the phrase "to provide financing including \$1,640,169 of estimated indirect costs" which is not also stated in the resolve portion of the resolution. The body of the proposed resolution should be amended to increase the amount of the indirect cost by \$264,185 from \$1,640,169 to \$1,904,354 because no indirect cost for the local share was included. This additional amount is the indirect cost portion of the revised local share total of \$3,884,743 identified in Comment 1.

Recommendation: Amend the subject resolution as follows:

Page 1, Line 5, change \$28,814,387 to \$3,884,743;

Page 1, Line 6, change \$1,640,169 to \$1,904,354;

Page 4, Line 5, change \$28,814,387 to \$3,884,743;

Page 4, Line 9, add after "projects" the following phrase, "to provide financing including \$1,904,354 of estimated indirect costs for nine Municipal Railway capital projects."

Reserve \$17,152,101 for professional services (\$353,212), for construction (\$12,795,825) and for equipment purchase (\$4,003,064) as identified in Comment 4 above.

Approve the proposed resolution as amended.

Item 1n - File 146-92-21.1

Department: Department of Public Health (DPH)
Bureau of Toxics, Health and Safety Services
Port of San Francisco, Regulatory and Environmental
Services Section

Item: Resolution authorizing the Department of Public Health, Bureau of Toxics, Health and Safety Services, to accept and expend a grant of \$49,950, which includes indirect costs of \$3,800, based on 20 percent of DPH salaries, from the California Department of Fish and Game, for the development of the San Francisco Oil Spill Prevention and Response Plan.

Grant Amount: \$49,950

Grant Period: June 1, 1992 to December 1, 1993 (18 months)

Source of Funds: California Department of Fish and Game, Office of Oil Spill Prevention and Response

Project: Oil Spill Prevention and Response Plan for San Francisco

Description: In April, 1992, the Board of Supervisors authorized the Department of Public Health, Bureau of Toxics, Health and Safety Services, to apply for a new grant of \$50,000, including indirect costs of \$5,000, from the California Department of Fish and Game to develop an oil spill prevention and response plan for San Francisco (File 146-92-21).

In the interim, the Department of Fish and Game notified the DPH that the DPH would be eligible to receive a grant of \$49,950 for the development of such a plan. Therefore, the DPH is now requesting that the Board of Supervisors authorize the DPH to accept and expend a grant of \$49,950 for this purpose.

The proposed grant of \$49,950 will provide funding for DPH and Port Commission staff to develop such a prevention and response plan, which will delineate response actions, notifications and command centers and identify sites within San Francisco which are vulnerable to oil spills.

The DPH advises that the plan would assist the City in coordinating oil spill response efforts with the State Department of Fish and Game and the U. S. Coast Guard, who have primary responsibility for oil spills. The plan would follow the same format as the City's Area Plan for Hazardous Materials.

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The DPH reports that the plan would be jointly drafted by the DPH, Bureau of Toxics, Health, and Safety Services and the Port's Regulatory and Environmental Services Section.

Budget:	<u>Personnel</u>	<u>Salaries</u>
	DPH Project Director	
	500 hours @ \$35/hour	\$17,500
	DPH Clerical Staff	
	100 hours @ \$15/hour	\$ 1,500
	Port of San Francisco	
	Sr. Industrial Hygienist	
	350 hours @ \$35/hour	<u>\$12,250</u>
	Subtotal Salaries	\$31,250
	Fringe Benefits (28%)	<u>8,750</u>
	Total Personnel Costs	\$40,000
	Office Supplies	1,650
	Printing & Duplication	500
	Travel (Required by Grant)	1,000
	Overhead (Rent, Utilities, Etc.)	2,500
	Telephone	400
	Postage	100
	Indirect Costs	<u>3,800</u>
	Total Operating Expenses	<u>9,950</u>
	TOTAL PROJECT BUDGET	\$49,950

Required Match: None.

Indirect Costs: \$3,800, or 20 percent of DPH salaries.

Comments: 1. It was originally planned that the proposed grant would commence on June 1, 1992, but the DPH did not request authorization to accept and expend the grant until June 15, 1992. Therefore, the proposed resolution should be amended to authorize the DPH to retroactively accept and expend the proposed grant commencing June 1, 1992.

To date, no work has been done on the grant, but the contract which was signed between the DPH and the California Department of Fish and Game states that the term of the contract will be June 1, 1992 to December 1, 1993.

2. Mr. Richard Lee of the DPH advises that travel is required to consult with the California Department of Fish and Game

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and with the Coast Guard while developing the oil spill prevention and response plan.

3. Attached is a copy of the Summary of Grant Request. The Summary contains a typographical error in the item description, and should state that the grant period is between June 1, 1992 and December 1, 1993 rather than December 1, 1992.

4. Mr. Lee reports that although most of the work for this project will take 6 months to complete, the grant period is 18 months to ensure that the DPH has sufficient time to complete reports required by the California Department of Fish and Game.

5. Mr. Lee reports that no indirect costs are included for Port personnel because the Port's staff time will be work ordered by the DPH and the indirect costs are primarily borne by the DPH, who is administering the grant.

6. A copy of the Disability Checklist for Grant Applicants is included in the file.

Recommendation: Amend the proposed resolution to authorize the DPH to retroactively accept and expend the grant, commencing June 1, 1992. Approve the proposed resolution, as amended.

Grantor Calif. Dept of Fish and Game
 Contact Person Linda Harris
 Address 1416 Ninth St. P.O. Box 944209

Division Toxics
 Section Special Projects
 Contact Person Richard Lee
 Telephone 554-2798

Amount Requested \$ 49,950
 Term: From 6-1-92 To 12-1-93

Application Deadline 3-31-92
 Notification Expected 5-1-92

Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$ 49,950 from the period of 6-1-92 to 12-1-92 to provide _____ services.
 (Circle appropriate words)

II. Summary: (Concise summary of project goals, objectives, and priorities)

The grant will provide funding for Department of Public Health and Port Commission staff to develop an oil-spill prevention and response plan for San Francisco. The plan will delineate response actions, notifications, command centers and identify vulnerable facilities within San Francisco.

III. Outcomes/Objectives:

The plan will help and coordinate response actions in case of an oil spill, within San Francisco and other agencies.

IV. Effects of Reduction or Termination of These Funds:

The City and County of San Francisco will not have an oil spill prevention and response plan.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved
	Two Years Ago	Part Year/Orig.	Proposed	Change		
Grant Amount			49,950			
Personnel			40,000			
Equipment						
Contract Svc.						
Mat. & Supp.			3,150			
Facilities/Space			3,000			
Other						
Indirect Costs			3,800			

VI. Data Progression

(See enclosed sheet)

VII. Personnel

F/T CSC			40,000			
P/T CSC						
Contractual						

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 N/A

Will grant funded employees be retained after this grant terminates? If so, How?
 Using existing Civil Service personnel

-VIII. Contractual Services: Open Bid _____ Sole Source _____ (If sole source, attach letter to the grantor)

Item 10 - File 146-92-49

Department: Department of Public Health (DPH)
Community Public Health Services (CPHS)

Item: Resolution authorizing the Department of Public Health, Community Public Health, Special Projects for Youth as sub-grantee in collaboration with Larkin Street Youth Center, as prime grantee, to accept and expend a continuation Federal grant for comprehensive health care to high risk and HIV - positive youth; and waiving indirect costs.

Grant Amount: \$90,466

Grant Period: August 1, 1992 through July 31, 1993

Source of Funds: U.S. Department of Health Resources and services
Administration for Community Health Outreach to Youth.

Project: Project Ahead (Alliance for the Health of Adolescents)

Description: This would be the third year of funding for a three-year project. The proposed grant funds would be used to provide health services to high risk youths which would include primary medical care, HIV screening and testing, counseling, providing physicals, medical treatment, and the monitoring of HIV infection management and treatment. The goals of the project would include the continued support and participation in City-wide collaborative AIDS prevention reduction efforts, the development of a community-based, family centered coordinated service for very high risk and HIV infected adolescents and their families, and the development of programs to reduce the spread of HIV infection to vulnerable youths through health education classes, health care workshops, and a referral system for youths.

The Larkin Street Youth Center is the prime grantee of the proposed Federal grant. The DPH would work in collaboration with the Larkin Street Youth Center. The Larkin Street Youth Center would have the responsibility for the administration and coordination of the project. The DPH would provide the clinical and administrative supervision for the health care services staff located at Larkin Street, and provide community health outreach through a licensed vocational nurse with a focus on AIDS prevention. The Larkin Street Youth Center would receive reimbursement for services provided for the project directly from the U.S. Department of Health and Human Services. The DPH, as

sub-grantee, would receive reimbursement from the Larkin Street Youth Center.

Required Match: None

No. of Persons Served: 365 high risk or HIV positive youth

Indirect Costs: The prime grantee, Larkin Street Youth Services, prohibits the use of grant funds for indirect costs. Therefore, the proposed resolution would authorize the waiving of indirect costs.

Project Budget:	<u>Personnel</u>	<u>FTE</u>	
	Licensed Vocational Nurse	1.00	\$30,282
	Physician Specialist	0.50	40,951
	<u>Fringe Benefits</u>		<u>19,233</u>
	Total Budget	<u>1.50</u>	\$90,466

Comments:

1. The Department of Public Health reports that if the proposed grant funds are reduced or terminated, the grant funded positions would be similarly reduced or terminated.
2. The proposed grant award of \$90,466 is \$350 greater than the FY 1991-92 grant award of \$90,116.
3. Attached is the "Summary of Grant Request" as prepared by the DPH.
4. A Disability Access Checklist is located in this file.

Recommendation: Approve the proposed resolution.

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Health Commission - Summary of Grant Request

Rev. 4/10/90

MATERNAL & CHILD HEALTH BUREAU (HRSA)

Person JEANNE H. CONELY
5600 FISHERS LANE, PARKLAWN BLDG
RM 18-21, ROCKVILLE, MD 20857
 Amount Requested \$ 90,466.00
 From 8/1/92 To 7/31/93
 Health Commission _____

Division CPHS
 Section SPECIAL PROGRAMS FOR YOUTH
 Contact Person ANNE MARIE BENEDICTO
 Telephone (415) 753-7759
 Application Deadline _____
 Notification Expected _____
 Board of Supervisors: Finance Committee _____
 Full Board _____

Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (supplementation to a) grant in the amount of \$ 90,466 from the period of 08/01/92 to 07/31/93 to provide HIV+ or high risk youth with primary health care services.

Summary: (Concise summary of need addressed; number & groups served; services and providers)

the Pediatric AIDS/HIV Demonstration Grant enters it's third year it continues to develop a coordinated system of youth sensitive resources for prevention/education, V antibody testing, primary health care and support and mental health services which provided care for 365 high risk or HIV+ youth in 1991. Comprehensive medical care and follow-up are done by a Physician Specialist and a Licensed Vocational Nurse.

Outcomes/Objectives:

A nurse and M.D. will oversee primary medical care, providing routine physicals, cost aid, medical treatments, and will monitor HIV infection management and treatment. A nurse will work with other staff to conduct health education classes & workshops.

Effects of Reduction or Termination of These Funds:

already limited access of high risk youth to high quality, low cost, comprehensive primary health care services will be further curtailed.

Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	69,121	90,116	90,466	+350		
Personnel	69,121	90,116	90,466	+350		
Equipment						
Contract Svc.						
Mat. & Supp.						
Facilities/Space						
Travel						
Direct Costs	0	0	0			

Data Processing

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
Personnel						
CSC	1	1	1			
CSC	.5	.5	.5			
Contractual						

Free(s) of non-grant funding for salaries of CSC employees working part-time on this grant: /A

grant funded employees be retained after this grant terminates? If so, how?
 possibly: if other grant funds are obtained.

Contractual Services: Open Bid _____ Sole Source _____ (If Sole Source, attach Request for Exemption Form)

Item 1p - File 146-92-15.1

Department: Department of Public Health (DPH)
AIDS Office

Item: Release of reserved funds for two contractors providing Treatment Advocacy, Clinical Trials Advocacy, Nutritional Counseling, and Detoxification Services for HIV positive persons.

Amount: \$200,529

Source of Funds: Department of Health and Human Services, Health Resources and Services Administration

Description: The Board of Supervisors previously authorized the Department of Public Health (DPH) to accept and expend a continuation of the Ryan White Comprehensive AIDS Resources Emergency (CARE/Title I Supplemental) Disaster Relief Grant of \$14,661,192 from the Federal Department of Health and Human Services, and reserved a total of \$1,270,000 pending the selection of contractors, information regarding hours and rates, and the MBE/WBE status of the contractors, (File 146-92-15). The Ryan White CARE/Title I Supplemental Grant provides disaster relief assistance to localities that are disproportionately affected by the AIDS epidemic. The Grant Funds are divided into specific funding priority areas. Of the \$1,270,000 reserved, DPH would like to release \$110,837 for Mission Neighborhood Health Center, and \$89,692 for Bayview Hunter's Point Foundation (BVHPF) to provide services in the funding priority area of Other Primary Health Care.

The Mission Neighborhood Health Center would provide three programs. These programs are Treatment Advocacy, Clinical Trials Advocacy, and Nutrition Counseling to HIV positive clients.

The Treatment Advocacy program would facilitate the access of clients to medical and other supportive services. An advocate would be hired to work with clients to reduce barriers to service, accompany clients to appointments and provide language translation when needed, organize confidential house meetings and community outreach presentations to recruit clients, and network with HIV service coalitions.

The Clinical Trials Advocacy program would facilitate the access of clients to studies examining the use of investigational therapeutic drugs for HIV disease. Activities

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would include informing prospective clients about clinical trials, obtaining informed consent and conducting trials searches, assisting clients to enroll in trials, follow-up, and community provider presentations.

The Nutrition Counseling program would assist clients to maintain or adopt positive dietary practice. A dietitian would conduct individual and group nutrition education classes, assess client needs related to nutrition, develop a nutrition care plan with clients, and refer clients to appropriate resources for food and other needs. The Mission Neighborhood Health Center would use the requested reserved funds for the following:

Treatment Advocacy

Personnel

Salaries (.40 FTE)	\$14,926	
Fringe Benefits @ 25%	<u>3,732</u>	
Subtotal Personnel		\$18,658

Operating Expenses

Medical Information System	2,000	
Transportation	1,100	
Other (telephone, postage, training utilities, printing)	1,899	
Educational & Office supplies	<u>767</u>	
Subtotal Operating Expenses		5,766

Indirect Costs (9% of Direct Costs) 2,198

Total \$26,622

Clinical Trials Advocacy

Personnel

Salaries (.60 FTE)	\$22,389	
Fringe Benefits @ 25%	<u>5,597</u>	
Subtotal Personnel		27,986

Operating Expenses

Medical Information System	\$602	
Transportation	900	
Educational & Office Supplies	1,017	
Other (Postage, printing, training, utilities, subscriptions)	<u>1,900</u>	
Subtotal Operating Expenses		4,419

Equipment Purchase 1,398

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<u>Indirect Costs (9% of Direct Costs)</u>	<u>3.042</u>
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Total	\$36,845
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Nutrition Counseling

Personnel

Salaries (.70 FTE)	\$28,673	
Fringe Benefits @ 25%	<u>7,168</u>	
Subtotal Personnel		\$35,841

Operating Expenses

Medical Information System	2,000	
Food Supplies	1,900	
Educational & Office Supplies	1,006	
Travel	800	
Other (postage, printing, dues utilities, training)	<u>1,911</u>	
Subtotal Operating Expenses		7,617

<u>Indirect Costs (9% of Direct Costs)</u>	<u>3.912</u>
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Total	<u>\$47,370</u>
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Total of three programs	<u>\$110,837</u>
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The BVHPF would augment its current detoxification services to HIV positive substance abusers of color with traditional Chinese medicine treatments designed to promote immune function. The proposed target population is currently unable to receive these services. Traditional Chinese medicine is a comprehensive approach that includes the use of acupuncture, herbs, moxibustion immune enhancing visualization massage, traditional Chinese breathing techniques (QI Gong) and nutritional changes. BVHPF would maintain a commitment to providing culturally sensitive services by race, sexual orientation, gender, and drug behavior in order to remain accessible to individuals who continue to be underserved due to race, poverty, substance-abuse, isolation due to self-perceived shame of their disease, and lack of awareness about the need for early care. BVHPF would use the reserved funds for the following:

Personnel

Salaries (2.0 FTE)	\$52,250	
Fringe Benefits @ 21%	<u>10,973</u>	
Subtotal Personnel		\$63,223

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<u>Operating Expenditures</u>		
Medical Supplies	\$3,000	
Property Rental	6,000	
Building Maintenance & Repair	1,200	
Travel	450	
Advertising	300	
Other (insurance, postage, printing advertising, utilities)	6,913	
Office Supplies	<u>1,200</u>	
Subtotal Operating Expenses		\$19,063
<u>Indirect Cost @ 9% of Direct Costs</u>		<u>7,406</u>
Total		\$89,692

Comments:

1. Mr. Tim Piland at the AIDS Office reports that both the Mission Neighborhood Health Center and the BVHPF are non-profit organizations.
2. Mr. Piland reports that DPH selected the contractor, Mission Neighborhood Health Center, under a Request for Proposal (RFP) process. The Mission Neighborhood Health Center was one of 2 respondents and was selected because of their overall viability to perform the necessary services. The Mission Neighborhood Health Center would provide contractual services from approximately July 1, 1992 through June 30, 1993. It is anticipated that 240 clients will be served through the Treatment Advocacy, Clinical Trials Advocacy, and Nutrition Counseling programs.
3. Mr. Piland reports that DPH selected the contractor, BVHPF, under a Request for Proposal (RFP) process. The BVHPF was one of 2 respondents and was selected because of their overall viability to perform the necessary service. The BVHPF would provide contractual services from approximately July 1, 1992 through June 30, 1993. It is anticipated that 7,350 clients will be served through the program.
4. DPH reports that the Mission Neighborhood Health Center would purchase two WYSE computer terminals to be used to enter and maintain computerized data. The amount of \$1,398 would include the cost of the purchase of the computers, installation and maintenance fees.

Recommendation: Approve the proposed release of reserve.

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Item 2 - File 25-92-22

Note: This item was continued from the July 8, 1992 Finance Committee Meeting.

Department: Police Department

Item: Resolution concurring with the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Janitorial Services for all nine District Police stations, the Police Academy, the Pistol Range, and the Golden Gate stables.

Description: The Controller has determined that contracting for these janitorial services in fiscal year 1992-99 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salary	\$257,920	\$311,791
Holiday Pay	58,032	70,153
Night Duty	4,127	4,989
Fringe Benefits	89,654	103,527
Non-Labor Costs	35,000	35,000
DPW Overhead	<u>429,034</u>	<u>506,911</u>
Total	\$873,767	\$1,032,371
 <u>Contracted Service Cost</u>	 <u>377,196</u>	 <u>377,196</u>
 <u>Estimated Savings</u>	 \$496,571	 \$655,175

...

Comments: 1. In January 1992, in response to warnings from the Public Health Department about poor sanitation conditions at the since vacated Hibernia Bank Building, the Board of Supervisors approved an emergency procurement for the Police Department to contract with a firm to provide janitorial services for the Hibernia Bank Building, (Administrative Code Section 21.25). Because of an anticipated desire to contract for private janitorial services for the rest of their facilities in the future, the Police Department took the two contractors who were bidding on the

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job at the Hibernia Bank Building on a walkthrough of all of the Police Department facilities to obtain an additional contracted service cost estimate. The Contracted Service Cost estimate is an average of the two contractor's bids which were based on the walkthrough of all of the facilities excluding the Hibernia Bank Building and the Hall of Justice.

2. According to Officer Tom Strong, of the Police Department's Accounting Office, the Police Department has budgeted \$33,796 in their FY 1992-93 budget to pay the Department of Public Works to provide janitorial services during the period of July 1, 1992 to July 31, 1992. This would prevent a lapse in service as the Police Department is still in the process of selecting a private contractor. The Department of Public Works has provided these janitorial services to the Police Department through FY 1992-93.

3. FY 1992-93 would be the first year that the Police Department would fully contract for these janitorial services.

4. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status is attached. Since the Police Department is still in the process of selecting a contractor, the MBE/WBE status is unknown.

5. In response to questions raised at the July 8, 1992 Finance Committee Meeting, Mr. Steve Lutz, Senior Analyst of the Police Department's Planning Division, reports that the scope of janitorial services provided to the Police Department is not proposed to change, other than the elimination of the Hibernia Bank Building facility. He advises that the scope of janitorial services has always been established according to a published description in the City of San Francisco's Civil Service Code. Additionally, Mr. Lutz stated that the Police Department has been very unsatisfied with the level of service provided by DPW.

6. Mr. Carl Bunch of the Mayor's Office, Employee Relations Division, is still in the process of verifying the City and County of San Francisco's obligation to meet and confer. Mr. Bunch will present his findings at the June 15, 1992 Finance Committee meeting.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) Questionnaire

Department San Francisco Police Department
Contract Services Janitorial Service
Time Period

1) Who performed services prior to contracting out?

Department of Public Works Janitorial.

2) Number of City employees laid off as a result of contracting out?

None, These employees should easily be absorbed into DPW operations.

3) Explain disposition of employees if they were laid off.

These employees can find employment in federal, state and private sectors.

4) What percent of City employee's time is spent on services to be contracted out?

100%

5) How long have services been contracted out?


These services have been performed by the Department of Public Works.

6) What was the first fiscal year for a Proposition J Certification?

It is anticipated to commence by 1992-1993.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The competitive bid process will insure compliance.
Present contractor at the Hibernia Bank Police Building is MBE/LBE.


Department Representative MICHAEL J. SULLIVAN
SERGEANT OF POLICE

(Type Name, Title)

537-6720

Telephone

cx1quespj

Item 3 - File 94-91-4.3

Note: This item was continued by the Finance Committee at its meetings of May 27, 1992 and June 3, 1992.

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Request for release of a budgetary reserve of 1991-92 Federal Transit Administration Section 9 Capital Funds, including \$51,598 in Federal funds and \$13,402 in local matching funds for a total of \$65,000 for Municipal Railway Contract No. MR-1039-R, Curtis E. Green Light Rail Facility, Geneva Site, Maintenance Building, Paint Booth Fans Modification.

Amount: \$65,000

Source of Funds:	Urban Mass Transit Administration (UMTA)	
	Section 9 Capital Assistance	\$51,598
	Local Match (See Comment 1)	<u>13,402</u>
	Total	\$65,000

Description: The Board of Supervisors previously approved a resolution (File 94-91-4) which authorized the Public Utilities Commission (PUC) to apply for, accept and expend \$13,815,120 in Federal Urban Mass Transit Administration (UMTA) Section 9 formula assistance funds, and apply for, accept and expend \$3,453,780 in local matching funds for a total of \$17,268,900. Of the \$17,268,900 in capital project funds available, a total of \$13,892,500 was reserved (\$11,114,000 of Federal funds and \$2,778,500 of local funds), pending the selection of the contractors, budgets for the contractors, and the contractors' MBE/WBE/LBE status. According to the Controller's Office, \$97,479 of the \$13,892,500 reserve has been previously released by the Finance Committee. If the reserved funds of \$65,000 (\$51,598 of Federal funds and \$13,402 of local funds) are released, a balance of \$13,730,021 would be left on reserve.

...
Included in the original \$13,892,500 reservation of funds is the sum of \$8,342,600 that was reserved for Fixed Facility Rehabilitation. The projects included in this request for release of funds are a part of the Fixed Facility Rehabilitation allocation.

Comments:

1. The source of the \$13,402 in matching funds under this request for the release of the reserved funds of \$65,000, would be as follows:

Transportation Planning and Development (TP&D) Grant	\$3,286
Transit Impact Development Fees (TIDF)	3,286
San Francisco Municipal Railway Improvement Corporation (SFMRIC)	<u>6,830</u>
Total match:	\$13,402

\$56,781 of the \$65,000 reserved funds would be used for an outside contract to modify the paint booth fans in MUNI's Curtis E. Green Light Rail Facility, Geneva Site, Maintenance Building. The remainder of the \$65,000 request (\$8,219) would be work ordered to the Department of Public Works to complete work at the Geneva Site to facilitate the relocation of the silk screen sign shop from the Potrero Site. The work includes building rehabilitation to add two windows for light and ventilation. The silk screen shop produces handbills and public information notices that are posted in MUNI transit vehicles notifying riders of time, route and other related changes.

2. The PUC reports that bids for the proposed contract were received and opened on January 27, 1992. The contract for the modification of the paint booth fans was awarded to E. Mitchell, Inc., a San Francisco based firm, based on its low bid of \$43,450. E. Mitchell, Inc., is pending certification by the Human Rights Commission (HRC) as a women-owned business and a locally-owned business. According to the HRC, their certification review will be completed in about two weeks.

3. The budget for the proposed project is attached. The amount of \$8,219 is a work order to DPW Bureau of Building Repair to add two windows that would provide light and ventilation for the relocation of the silk screen sign shop.

4. Mr. John O'Neill of MUNI's Engineering Division reports that the 15 percent contingency amount shown in the attached budget is standard for rehabilitation projects because of the potential for unforeseen field conditions that often result in contract modifications.

5. Ms. Marianne Malveaux of the PUC reports that the proposed paint booth fan modifications project is to be completed within 90 days of the contractor's Notice to Proceed date.

6. The Budget Analyst believes that there should be a more cost effective method of printing public notices, such as desktop publishing, than MUNI's long standing practice of the silkscreen printing of such notices. MUNI should review other printing options before it relocates its silkscreen sign shop to the Curtis E. Green Light Rail Facility. Until that review is completed, the Board of Supervisors should continue to reserve \$8,219 of the total \$65,000 requested herewith and release the remaining \$56,781 as requested.

Recommendation: Amend the proposed release of reserved funds by reducing the request by \$8,219 from \$65,000 to \$56,781 and approve this release of reserve. Continue the reserve of \$8,219 for renovation of MUNI's silk screen shop to the Call of the Chair.

...

PUBLIC UTILITIES COMMISSION
CAPITAL PROJECT EXPENDITURE AUTHORIZATION
HETCHY MUNI WATER

PROJECT NO.	TITLE	GENEVA - PAINT BOOTH/SHOP MODIFICATIONS		
ST. PROJ. COST	\$65,000	INITIATION DATE	COMPLETION DATE	
ACCOUNT NO.	TASK DESCRIPTION	INITIAL	CONCEPTUAL	BASLINE
	1. UEB SERVICES INC. FRINGES & INDIRECT COSTS			
	A. PROJ. MANAGEMENT			\$0
	B. ENG. SERVICES			\$0
	C. CONSTR. ENG.			\$0
	D. OTHER DIRECT EXPENSE (TRAVEL, M&S, REVOLVING FUND, ETC.)			
	TOTAL UEB			\$0
	2. NON-UEB SVCS. INC. FRINGES & INDIRECT COSTS COSTS			
	A. PROJ. MANAGEMENT	\$1,013		\$1,013
	B. ENG. SERVICES	\$1,300		\$1,300
	C. CONSTR. ENG.	\$4,500		\$4,500
	D. OTHER DIRECT EXPENSE (TRAVEL, M&S, REVOLVING FUND, IDWO)	\$8,219		\$8,219
	TOTAL NON-UEB			\$15,032
	3. CONSULTANT SERVICES	\$0		\$0
	4. CONTRACTS			
	A. CONSTRUCTION	\$43,450		\$43,450
	B. MATERIALS			\$0
	C. EQUIPMENT			\$0
	D. TAX (8.25%)			\$0
	TOTAL CONTRACTS			\$43,450
	5. CONTINGENCY (15%)	\$6,518		\$6,518
	TOTAL BUDGET			\$65,000
	6. UNPROGRAMMED			
	TOTAL APPROPRIATION			\$65,000

	
PROJECT MANAGER UEB MANAGEMENT	CLIENT MANAGEMENT FINANCE BUREAU

FAMIS & FMS REVENUE SOURCE INFORMATION (TO BE FURNISHED BY PUC

FINANCE)

FAMIS FUND GROUP/FUND

INDEX CODE

PROJECT/W/PHASE

PROJECT NO.

FMS REFERENCE: RESPONSIBILITY CENTER

DATE PROCESSED

Item 4 - File 65-92-10

Department: Real Estate

Item: Ordinance authorizing and approving a sublease of City-owned property at 25 Van Ness Avenue, portion of first floor, to the Veterans Administration, commencing August 1, 1992.

Location: 25 Van Ness Avenue

Purpose of Sublease: Office space for U.S. Veterans Administration, including outreach and counseling services.

Sublessee: U.S. Veterans Administration

No. of Sq. Ft. and Revenue Per Month: 2,480 square feet @ \$2.09/sq. ft./mo., or \$5,181.61/month.

Annual Revenue: \$62,179

% Increase Over 1991-92: Rent will decrease by approximately 9.7 percent from the 1991-92 level (see Comment No. 1).

Utilities and Janitor Services: The City would provide electricity, water, and scavenger services.

Term of Sublease: August 1, 1992 through July 31, 1997 (5 years)

Escalation: None

Right of Renewal: None

Comments: 1. Mr. Dan Kennedy of the Real Estate Department states that the proposed rent of \$2.09 per square foot is higher than the current market value, despite the rent decrease of approximately 9.7 percent from the 1991-92 rent of \$5,738 per month. Mr. Kennedy reports that City Departments which occupy 25 Van Ness Avenue pay approximately \$1.27 per square foot. The proposed rental rate for the Veteran's Administration (VA) is 64.6 percent greater than the rate charged to City Departments. Subleases with City Departments and the proposed sublease with the VA include similar terms for the provision by the City of electricity, water, and scavenger services.

Mr. Kennedy reports that the higher rent to the Federal Veterans Administration helps to keep rents lower for City Departments at 25 Van Ness Avenue.

2. The Department of Real Estate reports that the proposed sublease contains no escalation provisions over the five year term, nor any right of renewal. Therefore, the rent would remain at \$5,181.61 per month, or \$2.09 per square foot, through July 31, 1997, when the proposed sublease would expire.

Mr. Kennedy states that the proposed rent to the VA of \$2.09/sq. ft./mo. is expected to remain at or above fair market value through July 31, 1997, when the lease would expire. The Budget Analyst notes that the rental rate of \$1.27 per square foot now charged to City Departments would have to increase at an annual rate of 10.5 percent over five years to reach the proposed rate to the Veterans Administration of \$2.07 per square foot.

3. The Department of Real Estate has budgeted \$222,540 in 1992-93 for the costs of Water, Light, Heat, and Power, and scavenger services at 25 Van Ness Avenue. The premises consist of approximately 136,000 rentable square feet. Thus, the City's cost for these services is estimated as approximately \$1.64/sq. ft./year, or approximately \$0.14/sq. ft./month.

4. According to the Real Estate Department, the City purchased the building at 25 Van Ness Avenue in October 1991 under a Certificate of Participation with Security Pacific National Bank, which holds the title to the building. Mr. Steve Legnitto of the Real Estate Department states that a Certificate of Participation is a financial instrument similar to a bond, in which investors contribute a sum of money and receive repayments of interest and principal.

Mr. Legnitto reports that the City will continue to lease the building from Security Pacific National Bank for 20 to 25 years, until the invested funds are repaid, at which time the City will receive the title to the building. Rent paid to the City by City Departments and other tenants is used to finance the repayments. Since the City currently leases the building from Security Pacific Bank under the Certificate of Participation, the City must sublease, rather than lease, the premises to the tenants in the building.

Recommendation: Approve the proposed ordinance.

Item 5 - File 52-92-4

1. Resolution authorizing the Department of Public Works (DPW) to accept \$5,176 monetary compensation from property owners for the higher cost of procuring and installing special ornamental streetlight poles in Upper Ashbury Undergrounding District 309, Phase 2C.

2. The Upper Ashbury Undergrounding District 309, Phase 2C, legislated in 1972 and funded by the Board of Supervisors in 1986, for undergrounding overhead wires and utility facilities, is scheduled for construction commencing August of 1992. The property owners within the undergrounding district have petitioned the City to install 15-foot ornamental streetlight poles, instead of standard 30-foot poles, for aesthetic reasons.

3. The acquisition and installation costs for each 15-foot ornamental pole is \$647 more than the comparable costs for each standard 30-foot pole. The property owners submitting the proposal have agreed to compensate the City for the higher cost of the 15-foot ornamental streetlight poles and have presented two cashiers checks totalling \$5,176 to the DPW (8 poles @ \$647 per pole). The DPW reports that the cost to maintain the 15-foot ornamental poles is comparable to the maintenance cost for the standard 30-foot poles. The Department would absorb the cost for maintaining the 15-foot poles in its ongoing maintenance budget.

4. The proposal to install the eight 15-foot ornamental streetlight poles has been reviewed by the DPW and by the Public Utilities Commission (PUC). Those departments have found that the proposal would not be in conflict with any established local or State policies, rules, regulations or codes.

Comment

Phase 2C of the Upper Ashbury Undergrounding District 309 is one of four geographic areas in that District, the others being Phases A, B and D. According to Mr. Hin Lok Kung of the DPW, construction work on Phases A, B and D has been completed.

Recommendation

Approve the proposed resolution.

Item 6 - File 61-92-6

Departments: Public Utilities Commission (PUC)
Water Department

Item: Resolution approving Contract Modifications No. 1 and No. 2 (extending duration and increasing contract cost) to Water Department Contract WD-2088, repaving of street and sidewalk openings for the San Francisco Water Department, for the fiscal year ending June 30, 1992.

Description: The Public Utilities Commission currently has an "as-needed" type of construction contract for on-call repaving of street and sidewalk openings where the Water Department has been required to excavate for service connections and to repair water main leaks. The current contract, Water Department Contract WD-2088, which expired on June 30, 1992, was for a maximum contract amount of \$1,341,655 and was awarded to a joint venture, consisting of Stacy and Witbeck, Inc., Nationwide Construction Company, Inc. (a WBE firm), and West Bay Equipment Company (a MBE firm). In addition, Shelton Trucking (a MBE firm) served as a subcontractor.

The PUC authorized the Water Department to advertise for bids for another contract to do the "as-needed" repaving work for fiscal year 1992-93, Water Department Contract WD-2136, on April 28, 1992. However, there have been delays in completing the bid documents and contracting process for Contract WD-2136. These delays were primarily attributed to staffing shortages and the Water Department's inability to proceed with advertising the contract until the Human Rights Commission (HRC) had furnished materials to be included in construction contracts to implement the new MBE/WBE Ordinance. Due to the delays, the PUC estimates that Contract WD-2136 will not be effective prior to October 1, 1992.

Additionally, the Water Department estimates that \$497,457.23 must be added to the existing contract to provide for the required continuation of repaving services between July 1, 1992 and October 1, 1992. On June 23, 1992, the PUC adopted Resolution No. 92-0194, approving Modification No. 1, modifying the existing contract (Contract WD-2088) to extend the contract completion date to October 1, 1992, and to increase the maximum contract amount by 9.5 percent of the original contract amount, or by \$127,457.23 to a new maximum contract amount of \$1,469,112.23.

In addition, the same PUC resolution approved Modification No. 2, increasing the maximum contract amount by an additional \$370,000 over the revised contract amount of \$1,469,112.23, resulting in a new maximum contract amount of \$1,839,112.23. The additional \$370,000 results in a total contract change of 37 percent above the original contract amount, therefore requiring approval of Modification No. 2 by the Board of Supervisors as well as that of the PUC, pursuant to Section 6.6 of the San Francisco Administrative Code.

The Water Department's Additions and Betterments Revolving Charges, which would be used to fund the proposed contract modification, is a revolving fund established prior to 1964 exclusively for street paving contract expenditures. The fund is replenished by charging directly to various capital projects funded through the Water Department's Capital Improvement Program. These monies come from appropriated Water Department revenues.

The Water Department has submitted an Amendment to the Title of the proposed resolution, which will be introduced at the Finance Committee on July 15, 1992. The amended proposed resolution deletes Modification No. 1 from the title of the legislation, as only the PUC is required to approve the 9.5 percent increase to the original contract amount. Therefore, the PUC is requesting only that the Board of Supervisors approve Modification No. 2, which would permit the Water Department to increase the revised contract amount by \$370,000, resulting in a 37 percent increase over the original contract amount. The Amendment to the Title has been drafted by the Water Department in consultation with the City Attorney's Office.

Comments:

1. Mr. Joe Pelayo of the Water Department reports that the contractors who did the repaving work under Contract WD-2088 have ceased to do any repaving, effective July 1, 1992, pending approval of the proposed resolution. Mr. Pelayo advises that the Water Department crews, who have done excavation work on or after July 1, 1992, have been instructed to make the excavations "safe" by putting in temporary asphalt.

2. Mr. Pelayo advises that \$1,469,112.23 (the original contract amount plus a 9.5 percent contingency) is the actual amount due to the contractor for repaving work done during fiscal year 1991-92, and that it is appropriate to use this base amount for computing a monthly average for the period July 1, 1992 to October 1, 1992. For this three month period, the Water Department estimated that repaving costs would total approximately \$367,278. Mr. Pelayo explained that the Water

BOARD OF SUPERVISORS
BUDGET ANALYST

Department rounded the \$367,278 upwards to \$370,000 for purposes of the proposed resolution. To be more precise, the Budget Analyst recommends that the proposed resolution be amended to increase the maximum contract amount by an additional \$367,278 over the revised contract amount of \$1,469,112.23, resulting in a new maximum contract amount of \$1,836,390.23.

Recommendation: Amend the proposed resolution to approve the increase of the maximum contract amount by an additional \$367,278 over the revised contract amount of \$1,469,112.23, resulting in a new maximum contract amount of \$1,836,390.23. Approve the proposed resolution, as amended by the Water Department.

Item 7 - File 114-92-6

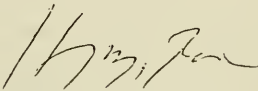
Note: This item was transferred from the City Services Committee on July 7, 1992 because it was determined to have fiscal impact.

- Department:** Public Works, Bureau of Building Inspection
- Item:** Ordinance amending Part II, Chapter 1, of the San Francisco Municipal Code (Building Code) by adding Section 333.4 to impose fees for administering the unreinforced masonry building retrofit program.
- Description:** The proposed ordinance would add Section 333.4 to the City's Building Code to impose the following fee schedule for services related to the UMB Retrofit Program.
- a. Review of Inventory Form - \$75.00
 - b. Review of the Summary of Engineering Report - \$150.00
- Comments:**
1. The proposed implementation of a UMB Retrofit Program (File 170-92-4) has been recommended for approval by the City Services and Finance Committees of the Board of Supervisors and is currently pending before the Board of Supervisors.
 2. The provisions of the proposed UMB Program include the requirement that a structural analysis of each of the City's approximately 1,930 UMBs be performed (2,000 UMBs less approximately 70 UMBs containing less than five dwelling units or guest rooms and used solely for residential purposes). The results of the structural analysis, complemented by an inventory form, a risk assessment, and an engineering report that details applicable retrofit assessment, all within specified time limits that are dependent on the UMB's assigned level of risk, would be submitted to the Bureau of Building Inspection of the Department of Public Works.
 3. This proposed ordinance would establish the foregoing fee schedule to compensate the Bureau of Building Inspection for its costs of reviewing the Inventory Form and the Summary of the Engineering Report. The proposed fee schedule was determined based upon the average estimated time that would be required to complete the respective reviews.

4. Revenues that would be produced by the proposed ordinance would be deposited in the Bureau of Building Inspection Special Fund. The maximum revenue that would be produced by the proposed fee schedule is approximately \$434,250, (1,930 UMBs times \$225), which would be used to compensate the Bureau of Building Inspection for its estimated review costs.

5. On July 7, 1992, the City Services Committee recommended approval of the proposed ordinance.

Recommendation: Approval of the proposed ordinance would be consistent with the Board of Supervisors enacting legislation relating to earthquake hazard reduction in UMBs.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey ..

Memo to Finance Committee
July 15, 1992

Budget Analyst Recommendation

REVISED

Construction

MUNI Metro Turnback	\$9,345,825	
Potrero Division Rehabilitation		
Contractor: Barnes	2,295,000	
Geneva/Green Capacity Modification	2,250,000	
Subway Signal System Replacement		
Contractor: Alcatel	4,685,522	
MUNI Metro Extension to Sixth Street	<u>1,200,000</u>	
		\$19,776,347

Equipment Purchase and Rehabilitation

Articulated Trolley Coach Replacement	\$4,003,064	
Misc Rail Maintenance & Repair Equipment Acq. *	1,275,000	
F-MARKET/EMBARCADERO PCC Streetcar Rehab.		
Contractor: Morrison Knudsen	<u>425,000</u>	
		5,703,064

* Partial purchases of a rail grinder (\$625,000) a tunnel washer (\$400,000) high-rail lift truck (\$64,500) digger-boom (\$61,500), line truck (\$90,000) and 10-wheel flat bed truck (\$34,000). This totals \$1,275,000. The balance from the \$3,000,000 request as reflected in this resolution is identified under in-house project engineering and indirect costs or has been provided from previously approved sales tax revenues.

Indirect Costs

Articulated Trolley Coach Replacement	\$81,510	
MUNI Metro Turnback	219,042	
Potrero Division Rehabilitation	446,862	
Geneva/Green Capacity Modification	438,101	
Misc Rail Maintenance & Repair Equipment Acquisition	77,885	
Subway Signal System Replacement	360,425	
MUNI Metro Extension to Sixth Street	84,375	
F-MARKET/EMBARCADERO PCC Streetcar Rehabilitation	8,654	
Rail Replacement	<u>187,500</u>	
		<u>1,904,354</u>

Total \$32,699,130

4. Ms. Gail Bloom of the PUC Finance Bureau advises that the PUC has not begun their process to develop a Request for Proposal (RFP) for certain project phases including Professional Services, Construction and Equipment Purchase totaling \$17,152,101 for the following:

**BOARD OF SUPERVISORS
BUDGET ANALYST**

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Local Match Funds Not Subject to Board of Supervisors Approval:

MUNI Metro Turnback	\$11,682,282	
Geneva/Green Capacity Modification	3,000,000	
Misc Rail Maintenance & Repair Equipment Acquisition	1,500,000	
Subway Signal System Replacement	6,247,362	
MUNI Metro Extension to Sixth Street	1,500,000	
F-MARKET/EMBARCADERO PCC Streetcar Rehabilitation	500,000	
Rail Replacement	<u>500,000</u>	
Subtotal		<u>\$24,929,644</u>
Total Local Share		\$28,814,387

2. Therefore the total amount of funds subject to this legislation is \$32,699,130, \$28,814,387 in State Proposition 116 Clean Air and Transportation Improvement Act funds and \$3,884,743 in local match consisting of Bridge Toll revenues and San Francisco Municipal Railway Improvement Corporation (SFMRIC) funds.

3. The total of \$32,699,130 in State and local match funds is divided into six phases among the nine projects as follows:

In-House Project Engineering

Articulated Trolley Coach Replacement	\$271,702	
MUNI Metro Turnback	365,071	
Potrero Division Rehabilitation	318,138	
Geneva/Green Capacity Modification	311,899	
Misc Rail Maintenance & Repair Equipment Acquisition	147,115	
Subway Signal System Replacement	1,201,416	
MUNI Metro Extension to Sixth Street	140,625	
F-MARKET/EMBARCADERO PCC Streetcar Rehab.	28,845	
Rail Replacement	<u>312,500</u>	
		\$3,097,311

Professional Services

Articulated Trolley Coach Replacement	353,212	
MUNI Metro Turnback		
Contractor: Bechtel/Sedgwick/James	1,752,342	
MUNI Metro Extension to Sixth Street		
Contractor: Forster Jordan	75,000	
F-MARKET/EMBARCADERO PCC Streetcar Rehab.		
Contractor: Wong	<u>37,500</u>	
		2,218,054

REVISED

Professional Services		
Articulated Trolley Coaches Purchase/ Replacement	<u>\$353,212</u>	
Subtotal		\$353,212
Construction		
Municipal Railway Metro Turnback	\$9,345,825	
Geneva/Green Capacity Modification	2,250,000	
MUNI Metro Extension to Sixth Street	<u>1,200,000</u>	
Subtotal		\$12,795,825
Equipment Purchase		
Articulated Trolley Coaches Purchase/Replacement	<u>\$4,003,064</u>	
Subtotal		<u>4,003,064</u>
Total		\$17,152,101

5. Ms. Bloom also advises that the current MBE/WBE/LBE goal for MUNI capital projects for FY 1991-92 is 32 percent and, through the second quarter, the actual amount in MBE/WBE/LBE contracts is 31 percent, one percent lower than their stated goal.

6. The subject resolution title includes the phrase "to provide financing including \$1,640,169 of estimated indirect costs" which is not also stated in the resolve portion of the resolution. The body of the proposed resolution should be amended to increase the amount of the indirect cost by \$264,185 from \$1,640,169 to \$1,904,354 because no indirect cost for the local share was included. This additional amount is the indirect cost portion of the revised local share total of \$3,884,743 identified in Comment 1.

Recommendation: Amend the subject resolution as follows:

Page 1, Line 5, change \$28,814,387 to \$3,884,743;

Page 1, Line 6, change \$1,640,169 to \$1,904,354;

Page 4, Line 5, change \$28,814,387 to \$3,884,743;

Page 4, Line 9, add after "projects" the following phrase, "to provide financing including \$1,904,354 of estimated indirect costs for nine Municipal Railway capital projects."

Reserve \$17,152,101 for professional services (\$353,212), for construction (\$12,795,825) and for equipment purchase (\$4,003,064) as identified in Comment 4 above.

Approve the proposed resolution as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

25
1992
CALENDAR

SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

MONDAY, JULY 20, 1992 - 1:30 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 127-92-6. [Suspending 5 Percent of Parking Tax Surcharge] Ordinance amending Part III of the San Francisco Municipal Code by adding Section 602.5-2, which suspends five percent of the Parking Tax Surcharge, effective January 1, 1993. (Supervisor Gonzalez)

ACTION:

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FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

**IMPORTANT
HEARING NOTICE**

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 17, 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: July 20, 1992 Special Finance Committee Meeting

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JUL 20 1992

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Item 1 - File 127-92-6

Item: Ordinance amending Part III of the San Francisco Municipal Code by adding Section 602.5.2, which suspends five percent of the parking tax surcharge, effective January 1, 1993.

Description: In June 1980, San Francisco voters approved Proposition R, to add a parking tax surcharge of 10 percent to the existing parking tax of 15 percent, for a total parking tax rate of 25 percent. Between 1980 and December 1985, the Board of Supervisors, through a series of ordinances, deferred imposition of the Proposition R parking tax surcharge, in part due to uncertainties concerning the City's powers of taxation under Proposition 13. In December 1985, the Board of Supervisors imposed 5 percent of the 10 percent surcharge which had been approved by the voters in 1980, resulting in a total parking tax of 20 percent, and continued to defer the imposition of the remaining 5 percent of the Proposition R surcharge. In July 1991, the Board of Supervisors imposed the remaining 5 percent of the surcharge, resulting in a total parking tax rate of 25 percent, effective August 1, 1992.

Two-thirds of the 15 percent City parking tax is allocated to the General Fund, and one-third is allocated to the Senior Citizens Program Fund of the Commission on Aging. Proposition R required that the 10 percent parking tax surcharge be allocated entirely to the General Fund.

The proposed ordinance would suspend 5 percent of the 10 percent parking tax surcharge which was imposed under Proposition R, effective January 1, 1993, or 6 months of fiscal year 1992-93. The proposed ordinance states that the suspension of the surcharge would expire if the Board of Supervisors were to adopt an ordinance terminating the suspension.

Comments:

1. The Mayor's proposed budget for 1992-93 includes \$22,465,300 in parking tax revenues allocated to the General Fund, and \$6,000,000 in parking tax revenues allocated to the Senior Citizens Program Fund, for total estimated parking tax revenues in 1992-93 of \$28,465,000.

2. If the proposed ordinance is adopted, five percent of the ten percent parking tax surcharge would be suspended on January 1, 1993. The annual revenue to the General Fund from this five percent parking tax surcharge is estimated to be \$5,616,325 over a full year. If this five percent surcharge were suspended for six months, as is being proposed under this ordinance, General Fund revenues would decrease by an estimated \$2,808,163.

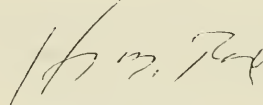
Such a reduction in revenue would result in a General Fund shortfall of an estimated \$2,808,163 in the proposed budget for 1992-93. Such a shortfall would require corresponding expenditure reductions or other increases in revenues in order to maintain a balanced budget.

3. At a tax rate of 25 percent, the customer's payment of \$1.00 represents a parking price of \$.80 and parking tax of \$.20 (equal to 25 percent of the \$.80 price). At the 20 percent tax rate which would take effect if the proposed ordinance is approved, the tax on \$.80 would decrease to \$.16.

Since parking taxes are invisible to the consumer (because they are included in the advertised parking "fee"), it is uncertain whether posted rates will be reduced by a few cents on the dollar, in order to return the proposed tax decrease to the consumer. Mr. Tim Johnson of the Department of Parking and Traffic concurs in this opinion. To the extent that parking rates are reduced due to the lower tax rate, parking customers would realize the benefit of the tax reduction. If parking rates remain at their current level, the change in the tax rate would result in increased operating revenues of approximately \$2.8 million to the City's parking garages.

4. On an annual basis (for each complete fiscal year beginning July 1, 1993) the effect of the proposed lower tax rate would be an annual loss to the City of parking tax revenues of approximately \$5,616,325, based on the estimated level and price of parking during 1992-93.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

JUL 23 1992

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MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JULY 22, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 7/15/92)

ACTION: Hearing held. Continued to July 29, 1992, meeting.

2. File 123-92-2. [Permit and Inspection Fees] Ordinance amending Public Works Code by amending Sections 179, 184.52, 708.2 and 725.3 to change the amounts of various fees provided for in those sections. (Department of Public Works)
(Cont'd from 7/1/92)

ACTION: Amendment of the Whole adopted. Recommended as amended. New title: "Amending Public Works Code by amending Sections 184.52, 708.2 and 725.3 to change the amounts of various fees provided for in those sections."

3. File 94-91-4.3. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in the amount of \$65,000, for Municipal Railway Contract No. MR-1039-R, Curtis E. Green Light Rail Facility, Geneva Site, Maintenance Building, Paint Booth Fans Modification. (Public Utilities Commission)
(Cont'd from 7/15/92)

ACTION: Hearing held. Release of \$32,500 recommended. Combined with File 94-91-6.1. Filed.

4. File 68-90-16.4. [Release of Funds] Requesting release of reserved funds, Mayor's Office - Community Partnership Program, in an amount totalling \$29,000, (\$20,000 Mission Education Projects Inc. and \$9,000 El Dorado School Neighborhood Betterment Association) for community based self group services. (Mayor)

ACTION: Hearing held. Release of \$29,000 recommended. Filed.

5. File 61-92-1.2. [Contract Award Extension] Resolution approving award of Municipal Railway Contract No. MR-1034R for procurement and installation of the Advanced Train Control System (ATCS); approving a further 60-day extension from July 7, 1992, within which to award the contract. (Public Utilities Commission)

ACTION: Recommended.

6. File 101-92-3. [Government Funding] Ordinance appropriating \$6,100,000, Department of Public Works, for various capital improvement projects. RO #92032 (Controller)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Appropriating \$6,100,000, Department of Public Works, for various capital improvement projects; placing \$5,259,420 on reserve."

7. File 101-92-4. [Government Funding] Ordinance appropriating \$135,778, Department of Public Works, for various purposes. RO #92033 (Controller)

ACTION: Recommended.

CALENDAR

MEETING OF FINANCE COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, JULY 22, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

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(Continued from 7/15/92)

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(Cont'd from 7/1/92)

ACTION: Amendment of the Whole adopted. Recommended as amended. New title: "Amending Public Works Code by amending Sections 184.52, 708.2 and 725.3 to change the amounts of various fees provided for in those sections."

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(Cont'd from 7/15/92)

ACTION: Hearing held. Release of \$32,500 recommended. Combined with File 94-91-6.1. Filed.

4. File 68-90-16.4. [Release of Funds] Requesting release of reserved funds, Mayor's Office - Community Partnership Program, in an amount totalling \$29,000, (\$20,000 Mission Education Projects Inc, and \$9,000 El Dorado School Neighborhood Betterment Association) for community based self group services. (Mayor)

ACTION: Hearing held. Release of \$29,000 recommended. Filed.

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ACTION: Recommended.

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ACTION: Recommended.

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92
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

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July 20, 1992

TO: *///* Finance Committee
FROM: *///* Budget Analyst *Recommendations*
SUBJECT: *///* July 22, 1992 Finance Committee Meeting

Item 1 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of July 15, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

Item 2 - File 123-92-2

Note: This item was continued by the Finance Committee at its meeting of July 1, 1992.

Department: Department of Public Works (DPW)
Bureau of Engineering

Item: Ordinance amending Part II, Chapter X, of the San Francisco Municipal Code (Public Works Code) by amending Sections 179, 184.52, 708.2 and 725.3 to increase the amounts of various fees provided for in those sections.

Description: The sponsor of this proposed legislation has informed the Budget Analyst that an Amendment of the Whole will be introduced at the Finance Committee meeting to delete amending Section 179, which covers fees for placing Tables and Chairs charged to restaurants for use on City sidewalks. (This results in reduced annual revenue of \$14,280 at this time). The sponsor informs the Budget Analyst that an amendment to Section 179 to increase those fees will be introduced at a later date. This report is based on the proposed Amendment of the Whole.

The Department of Public Works (DPW) currently collects fees to cover the costs of processing various permits for encroachment of public sidewalks. DPW proposes to increase those fees as shown below:

<u>Type of Permit</u>	<u>Existing Fee</u>	<u>Proposed Fee</u>	<u>Percentage Increase</u>
Distribution of Free Sample			
Merchandise	\$80/occurrence	\$100/day	25.0
Sidewalk Reconstruction	\$12/100 sq. ft.	\$15/100 sq. ft.	25.0
Debris Boxes	\$10/box	\$20/box	100.0

Comments: 1. The Department has provided the Budget Analyst with fee and revenue information for FY 1991-92 and FY 1992-93 on its Street Use Management Program, which includes fees and revenues for the subject three permits and for the planned Chairs and Tables fee increase. The Department estimates that approximately \$1,402,000, or 65 percent, of the \$2,173,528 in FY 1991-92 Street Use Management Program total expenditures, is recovered through fees. The planned fee increases under the Amendment of the Whole would increase those fee revenues by approximately \$153,720 to \$1,555,720 in FY 1992-93, which is an increase of approximately 11 percent. Total projected expenditures for

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BUDGET ANALYST

FY 1992-93 is \$2,295,513, such that the proposed total fees of \$1,555,720 would result in a cost recovery of approximately 68 percent of these costs.

2. Mr. Vit Troyan, Director of Public Services in the DPW, reports that the Department does not recover the full costs of its Street Use Management Program because the Program includes such general government functions as pavement management and inspection of roadway structures.

3. The Mayor's FY 1992-93 budgeted revenues includes a proposed revenue enhancement of \$168,000 or \$14,280 more than the estimated revenues to be generated from the proposed Amendment of the Whole.

4. Based on an anticipated effective starting date of approximately September 1, 1992, Mr. Troyan reports that a delay of approximately two months in implementing the proposed fee increases would reduce the FY 1992-93 revenue estimate by approximately \$25,620 to \$128,100.

Recommendation: Approve the proposed fee increases.

Item 3 - File 94-91-6.1

Note: At the request of the Public Utilities Commission (PUC), the file number was changed from File 94-91-4.3 to File 94-91-6.1 to correct an error in the source and amount of funds to be released. In addition, this item was continued by the Finance Committee at its meetings of May 27, 1992, June 3, 1992 and July 15, 1992.

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Request for release of a budgetary reserve of 1991-92 State Transit Capital Improvement Funds for Municipal Railway Contract No. MR-1039-R, Curtis E. Green Light Rail Facility, Geneva Site, Maintenance Building, Paint Booth Fans Modification.

Amount: \$32,500

Source of Funds: State Transit Capital Improvement Funds

Description: The Board of Supervisors previously approved a resolution (File 94-91-6) which authorized the Public Utilities Commission (PUC) to apply for, accept and expend \$194,534 in State Transit Capital Improvement Funds, and \$194,534 in local matching funds for a total of \$389,068. Of the \$194,534 in State Transit Capital Improvement Funds available, a total of \$149,000 was reserved, pending the selection of the contractors, budgets for the contractors, and the contractors' MBE/WBE/LBE status. To date, none of these reserves have been released.

Comments: 1. A total amount of \$56,781 would be used for MUNI overhead costs and an outside contract to modify the paint booth fans in MUNI's Curtis E. Green Light Rail Facility, Geneva Site, Maintenance Building.

2. The source of the \$24,281 (\$56,781 total cost less \$32,500 requested release of reserve) in matching funds which is in addition to this request for the release of the reserved funds of \$32,500 comes from the San Francisco Municipal Railway Improvement Corporation (SFMRIC). These matching funds (\$24,281) were not reserved as part of the previously approved legislation.

3. The PUC reports that bids for the proposed contract were received and opened on January 27, 1992. The

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BUDGET ANALYST

contract for the modification of the paint booth fans was awarded to E. Mitchell, Inc., a San Francisco based firm, based on its low bid of \$43,450. E. Mitchell, Inc., is pending certification by the Human Rights Commission (HRC) as a women-owned business and a locally-owned business. According to the HRC, their certification review will be completed in about two weeks.

4. The budget for the proposed project is attached. In summary the total \$56,781 (\$65,000 less \$8,219, which has been excluded from the attached budget, see Comment 7) would be divided among the following work items:

MUNI Project Management	\$1,013
MUNI Engineering Services	1,300
MUNI Contract Management Services	4,500
Construction Contract	43,450
Contingency @ 15% of Contract	<u>6,518</u>
Total	\$56,781

5. Mr. John O'Neill of MUNI's Engineering Division reports that the 15 percent contingency amount shown in the attached budget is standard for rehabilitation projects because of the potential for unforeseen field conditions that often result in contract modifications.

6. Ms. Marianne Malveaux of the PUC reports that the proposed paint booth fan modifications project is to be completed within 90 days of the contractor's Notice to Proceed date.

7. PUC's previous request for release of funds (File 94-91-4.3) requested the use of \$8,219 to construct two windows at the Curtis E. Green Light Rail Facility in order to assist in the relocation of their silk screen sign shop from the Potrero Site. Although this improvement is no longer part of the subject release of funds, the Budget Analyst believes that there should be a more cost effective method of printing public notices, such as desktop publishing, than MUNI's long standing practice of the silkscreen printing of such notices. MUNI should review other printing options to determine whether the publication of public notices can be accomplished less costly with some other printing method.

Recommendation: Approve the proposed Release of a Reserve.

Request the Municipal Railway to review its current practice for printing public notices and advise the Board of Supervisors if there would be a more cost effective alternative to the current printing of notices by the process of silk screening.

MUNICIPAL RAILWAY METRO CENTER IMPROVEMENTS BUDGET REVISION
 PREPARED BY GAIL BLOOM LAST REVISED:
 20-JUL-92
 BASED ON MUNI FAMIS REPORT THRU MAY 1992

BUDGET CATEGORIES	INDEX CODE	BUDGET	EXPEND	CHANGE	REVISED TOTAL	EXPEND
GENEVA PAINTBTH WK PHSE						
MUNI PM	N/A	\$1,013	\$0	\$0	\$1,013	\$0
MUNI ENG SERVICES	N/A	\$1,300	\$0	\$0	\$1,300	\$0
MUNI CM SERVICES	N/A	\$4,500	\$0	\$0	\$4,500	\$0
CONTINGENCY	N/A	\$6,518	\$0	\$0	\$6,518	\$0
MUNI DIRECT	N/A	\$8,219	\$0	\$0	\$8,219	\$0
CONSTRUCTION CT	N/A	\$10,950	\$0	\$32,500	\$43,450	\$0
PAINBBOOTH SUBTOTAL		\$32,500	\$0	\$32,500	\$65,000	\$0
GENEVA YARD WK PHSE						
UEB PM	N/A	\$16,700	\$0	\$0	\$16,700	\$0
UEB ENG SERVICES	N/A	\$27,800	\$0	\$0	\$27,800	\$0
UEB CM SERVICES	N/A	\$0	\$0	\$0	\$0	\$0
CONTINGENCY	N/A	\$0	\$0	\$0	\$0	\$0
MATERIALS CT	N/A	\$123,500	\$0	\$0	\$123,500	\$0
CONSTRUCTION CT	N/A	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL		\$200,500	\$0	\$32,500	\$233,000	\$0
FUNDING SOURCES:						
STATE TCI		COLLECTED THRU JUNE 92				
SFMRIC		\$44,500	\$0	\$32,500	\$77,000	\$0
		\$156,000	\$0	\$0	\$156,000	\$0
TOTAL FUNDS		\$200,500	\$0	\$32,500	\$233,000	\$0

Item 4 - File 68-90-16.4

Department: Mayor's Criminal Justice Council

Item: Release of reserve for community based self-help group services

Amount: \$29,000

Source of Funds: Federal grant from the Federal Office for Substance Abuse Prevention

Description: The Board of Supervisors previously approved legislation authorizing the Mayor's Office to apply for, accept and expend Federal grant funds in the amount of \$721,186 for a project entitled "The Community Partnership Program" (File 68-90-16.1). At the same time, the Board of Supervisors placed \$220,938, earmarked for contract services with community-based self-help groups, on reserve pending the Mayor's Office's submission of specific budget details for the individual contractors to the Finance Committee. The Finance Committee has previously released \$145,276 of the \$220,938 placed on reserve, leaving a balance of \$75,662 on reserve. The Mayor's Office is now requesting the release of \$29,000 to fund contract services with Mission Education Projects, Inc. (\$20,000) and El Dorado School Neighborhood Betterment Council (\$9,000). The Mayor's Office has submitted the detailed budgets for these two contractors, as follows:

Mission Education Projects, Inc.

<u>Personnel</u>	<u>FTE</u>	
Executive Director	.03	\$1,116
Secretary	.02	378
Accountant	.02	1,080
Program Organizer	.13	4,000
Project Liaison	.19	7,200
Meeting Coordinator	.04	1,438
Fringe Benefits		<u>2,061</u>
Subtotal	.43	\$17,273
 <u>Operating Expenses</u>		
Office Supplies		\$500
Computer Supplies		120
Printing		1,000
Audio/Visual Equipment Supplies		500
Postage		174
Insurance		<u>433</u>
Subtotal		<u>2,727</u>
 Total		\$20,000

El Dorado School Neighborhood Betterment Council

Personnel

Community Organizer (.23 FTE)	\$3,750	
Fringe Benefits	<u>807</u>	
Subtotal		\$4,557

Operating Expenses

Consultant Services	\$113	
Utilities	195	
Insurance	1,000	
Office Supplies	120	
Postage	<u>71</u>	
Subtotal		1,499

Equipment

Personal Computer	\$1,951	
Copier	<u>993</u>	
Subtotal		<u>2,944</u>

Total		\$9,000
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Comments:

1. The Community Partnership Program is a City-wide multi-disciplinary, neighborhood and youth-oriented action plan, aimed at addressing the City's alcohol and drug abuse problems. The Program targets the following areas: (1) the Western Addition, (2) the Tenderloin, (3) Potrero Hill, (4) the Mission District, (5) Bayview Hunters Point (6) Visitation Valley/Sunnydale, (7) Oceanview-Merced-Ingleside and (8) Chinatown. The program objectives of the Community Partnership Program, as provided by the Mayor's Office, are as follows:

- 1.) Encourage effective coordination by organizing drug prevention initiatives and convening neighborhood drug prevention councils.
- 2.) Enhance or encourage the creation of at least 12 community-based self-help groups.
- 3.) Enable 250 parents and 50 youth to assist in drug prevention activities.
- 4.) Enhance and sustain a strategic planning effort which assures action steps are identified and implementation of projects occurs.
- 5.) Create an ongoing training service to assist community members in neighborhood activities aimed at resolving

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BUDGET ANALYST

alcohol and drug abuse problems, drug prevention strategies and treatment options.

- 6.) Establish a Youth Council in seven target areas and Tenant Associations in five housing projects.
2. Mission Education Projects, Inc., would (1) conduct outreach activities in three (3) school/neighborhood areas (Bryant Elementary School, George R. Moscone Elementary School and Hawthorne Elementary School) to generate and document data on substance abuse related issues and strategies used to combat drug abuse, (2) conduct three (3) school/neighborhood block area meetings to discuss and focus on the identified substance abuse related issues and strategies and analyze findings and develop draft reports and (3) conduct a conference to present draft reports, analyze findings and develop a final project report, which would serve as a resource tool to focus on and address specific substance abuse problems in the school/neighborhood areas.
3. The El Dorado School Neighborhood Betterment Council (ESNBC) would (1) conduct a membership drive to increase ESNBC membership and develop fundraising strategies in order to enhance community involvement and organize the neighborhood to combat the sale of drugs, theft and other negative activities taking place on the neighborhood streets, (2) publish a monthly community newsletter and (3) conduct an outreach campaign to local business, City departments/agencies and local schools to involve them in the neighborhood empowerment drive.

Recommendation: Release the reserve funds in the amount of \$29,000.

Item 5 - File 61-92-1.2

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution approving award of Municipal Railway (MUNI) Contract MR-1034R, for procurement and installation of an Advanced Train Control System and approving a further 60-day extension from July 7, 1992, within which to award the contract.

Description: On February 24, 1992, the Municipal Railway (MUNI) received two bids for the procurement and installation of an Advanced Train Control System (ATCS) for the five-mile subway portion of the Muni Metro System. The primary objectives of the computer-based ATCS are to significantly improve capacity and safety in the subway through continuous tracking of all vehicles and control of acceleration, deceleration, location and speed. Two additional benefits from ATCS would be a reduction in MUNI's operating and maintenance costs.

Upon review of the two bids, MUNI's Technical Pre-Qualification Committee found only one bidder, Alcatel Canada, Inc., was in full compliance with MUNI's technical requirements for qualification and thus eligible to have its price bid opened. According to PUC Resolution No. 92-0097, dated March 24, 1992, Alcatel Canada's base price bid of \$33.9 million exceeded the consulting engineer's estimate of \$26 million for the contract, by an additional \$7.9 million. The total of Alcatel's bid, including all options, was \$58.9 million.

Pursuant to Section 6.1 of the Administrative Code, the PUC is required to award the contract within 60 days following the receipt of bids. On April 20, 1992, the Board of Supervisors adopted Resolution No. 331-92, granting extension of time for awarding the contract to Alcatel (MUNI Contract No. MR-1034R), to July 7, 1992, 120 days after the receipt of bids (File 61-92-1).

This extension of time was granted to provide additional time for the PUC to perform a price analysis of the bid submitted by Alcatel Canada for Federal Transit Administration (FTA) (formerly the Urban Mass Transportation Administration - UMTA) purposes, to seek additional funding sources, and to negotiate with Alcatel Canada to reach a mutually acceptable contract price.

The PUC approved the award of Contract MR-1034R to Alcatel Canada for an amount not to exceed \$52.7 million on

BOARD OF SUPERVISORS
BUDGET ANALYST

June 9, 1992, pursuant to PUC Resolution No. 92-0171 and subject to FTA approval of the request for a non-competitive negotiated procurement.

Negotiations with Alcatel Canada have been completed. The PUC requested, and was granted FTA approval for a non-competitive negotiation, which was confirmed by a letter to the PUC from FTA, dated June 8, 1992. MUNI's consultants, Booz Allen & Hamilton, Inc., prepared a Price Analysis and Engineer's Estimates, primarily comparing MUNI Contract MR-1034R prices with those of a similar contract to upgrade the London Docklands Railway with fully automated train control equipment like that proposed for MUNI. Booz Allen concluded that the price of the proposed contract was reasonable, and that MUNI's proposed contract was lower in price than the London Docklands Railway contract, most likely because of economies of scale and reduced engineering costs due to the similarities between the two projects. One major factor that makes the proposed ATCS project more expensive than it would be otherwise is the added constraint that the ATCS equipment must be installed without disruption to the operations of the existing MUNI Metro service.

As a result of the negotiations with Alcatel Canada, the base price of the contract was lowered from \$33.9 million to \$21.5 million, a reduction of \$12.4 million, and the total price, including all options, was lowered from \$58.9 million to \$52,725,465, a reduction of \$6,174,535. Part of the decrease in the contract price can be attributed to the elimination of elements within the contract which MUNI determined were no longer necessary and a revision of the options schedule.

The PUC is now requesting that the Board of Supervisors approve the award of the contract to Alcatel Canada, pursuant to Charter Section 3.502, and approve a second 60-day extension from July 7, 1992 to September 7, 1992, within which to award the contract.

Comments:

1. Mr. Tom Sullivan of MUNI advises that in addition to the proposed \$52.7 million contract for Alcatel, MUNI has budgeted approximately \$6,249,347 for project management services and other expenditures related to the ATCS project, resulting in a total proposed expenditure of \$58,974,812 over a three year period. (See Attachment 1 provided by the PUC, showing the details of the entire \$58,974,812 budget.)

Of the total of \$58,974,812 budgeted for the entire ATCS project (the \$52,725,465 contract which is the subject of this

BOARD OF SUPERVISORS
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legislation, plus the \$6,249,347 for project management and related services) \$32,852,089 or 55.7 percent is anticipated to consist of Federal funds, \$13,285,362 or 22.5 percent is anticipated to consist of State funds, and \$12,837,361 or 21.8 percent is anticipated to consist of local funds.

2. Ms. Gail Bloom reports that as of July 14, 1992, MUNI has a total of \$33,852,000 in local, State and Federal funds committed to the ATCS project thus far, and expects an additional \$9,288,000 in State funds over the next few weeks, for a total of \$43,140,000.

3. Ms. Bloom also reports that the project has been designed so that each phase will produce improvements to the subway system, even if full funding for the project is not provided in later years. Mr. Sullivan advises that the contract provides that various options will be exercised by MUNI on a staggered basis. As more funding becomes available, MUNI can exercise more of the options in the contract, e.g., funding the installation of additional ATCS sets on light rail vehicles (LRVs). Attachment 2 is a copy of the ATCS financial plan provided by the PUC, dated July 14, 1992, listing all of the funding sources for the \$58,974,812 budget.

Recommendation: Approve the proposed resolution.

ATCS SPENDING PLAN (Revised: 17 Jul 92)

ACTIVITY	FY ≤92	FY 92-93	FY 93-94	FY 94-95	FY 95-96	TOTALS	% OF TOTAL
ATCS CONTRACT MR-1034R	\$0	\$9,400	\$9,600	\$15,000	\$18,726	\$52,726	89.4%
PUC PROJ. MANAGEMENT	\$490	\$240	\$380	\$470	\$550	\$2,130	3.6%
PROJECT CONSULTANT	\$460	\$150	\$100	\$80	\$100	\$890	1.5%
SAFETY REVIEW/AUDIT	\$0	\$75	\$100	\$125	\$50	\$350	0.6%
SYSTEM TESTING SUPPORT	\$0	\$30	\$60	\$360	\$480	\$930	1.6%
INSTALLATION SUPPORT	\$0	\$32	\$128	\$160	\$100	\$420	0.7%
PROJECT OFFICE	\$35	\$50	\$50	\$75	\$75	\$285	0.5%
FACTORY TEST/INSPECTION	\$0	\$15	\$25	\$25	\$15	\$80	0.1%
CHANGE ORDERS/MISC	5	\$25	\$30	\$300	\$804	\$1,164	2.0%
YEARLY TOTALS	\$990	\$10,017	\$10,473	\$16,595	\$20,900	\$58,975	100.0%
CUMULATIVE TOTALS	\$990	\$11,007	\$21,480	\$38,075	\$58,975		
PER CENT YEARLY TOTALS	1.7%	17.0%	17.8%	28.1%	35.4%		
CUMULATIVE PER CENT	1.7%	18.7%	36.4%	64.6%	100.0%		

NOTES:

1. All costs are in \$1,000s.
2. PUC PROJ. MANAGEMENT is overall ATCS Project Management.
3. PROJECT CONSULTANT developed specification, provides technical assistance.
4. SAFETY REVIEW/AUDIT is an independent review to assure safe system operation
5. SYSTEM TESTING SUPPORT is for non-revenue system testing nights and weekends
6. INSTALLATION SUPPORT is for cutover/connection labor to existing signal system.
7. PROJECT OFFICE covers costs for materials, supplies, phones, rent, etc during project.
8. FACTORY TEST/INSPECTION is for verification of testing at at mfg. facility and LRV2 factory.
9. CHANGE ORDERS/MISC is for contract modifications and costs not originally planned.

SOURCE: STPT/PSR/TP
 OPERATOR: San Francisco Municipal Railway
 LEAD AGENCY: San Francisco Public Utilities Commission
 FILE: ATCS FINANCIAL PLAN IN STATE AND LOCAL FISCAL YEAR (JULY TO JUNE)

LAST REVISED:

14-JUL-92

PROJECT NAME AND FUND SOURCE	ALLOCATION NO.		PENDING	FY83-84	TOTAL	PERCENT CAPITAL TOTAL
	OR YEAR AWARDED	THRU JULY 14				
SUBWAY SIGNAL SYSTEM REPLACEMENT						
FTA SECTION 3 -- RAIL MODERNIZATION	CA-03-0345	\$13,500,000	\$0	\$0	\$13,500,000	22.89%
FTA SECTION 3 -- FIXED GDMV - NMNT	N/A - LONP	\$2,700,000	\$0	\$0	\$2,700,000	4.58%
FTA SECTION 3 -- EXPANSION LRVs	CA-03-0383	\$4,312,000	\$0	\$0	\$4,312,000	7.31%
FTA SECTION 3 -- FIXED GDMV - REPLACEMENT LRVs	N/A - LONP	\$0	\$0	\$0	\$11,000,000	18.65%
FTA SECTION 9 -- FORMULA REPLACEMENT ADA	FY84	\$0	\$0	\$1,340,089	\$1,340,089	2.27%
STATE TRANSIT CAPITAL IMPROVEMENT	04-F168-PT	\$2,250,000	\$0	\$0	\$2,250,000	3.82%
STATE 108 FROM MMX EXPANSION LRVs	FY81-82	\$0	\$1,848,000	\$0	\$1,848,000	3.13%
STATE RAIL BONDS -- PROP 108	FY81-82	\$0	\$2,940,000	\$0	\$2,940,000	4.99%
STATE RAIL BONDS -- PROP 116	FY82-83	\$0	\$4,500,000	\$0	\$4,500,000	7.63%
TRANSIT IMPACT DEVELOPMENT FEE -- CAPITAL	FY83-84	\$0	\$0	\$1,747,362	\$1,747,362	2.96%
TRANSIT IMPACT DEVELOPMENT FEE -- CAPITAL	FY88-89	\$1,400,000	\$0	\$0	\$1,400,000	2.37%
TRANSIT IMPACT DEVELOPMENT FEE -- CAPITAL	FY90-91	\$2,250,000	\$0	\$0	\$2,250,000	3.82%
TRANSPORTATION SALES TAX -- CAPITAL	FY91-92	\$2,940,000	\$0	\$0	\$2,940,000	4.99%
TRANSPORTATION SALES TAX -- CAPITAL	FY92-83	\$4,500,000	\$0	\$0	\$4,500,000	7.63%
TRANSPORTATION SALES TAX -- CAPITAL	FY93-94	\$0	\$0	\$1,747,362	\$1,747,362	2.95%
TOTAL		\$33,852,000	\$9,288,000	\$15,834,812	\$58,974,812	100.00%

NOTES:

1. --- THE FINANCIAL PLAN INCLUDES SLINK ENGINEERING & OTHER DIRECT COSTS AS WELL OTHER PROSPECTIVE DIRECT SUPPORT/TESTING COSTS.
2. --- THE AMT AMOUNT IS INCLUDED IN THE PROJECT BUDGET. THE ATCS CONTRACT WILL BE MODIFIED WHEN THE LONP IS AWARDED.
3. --- THE EXPANSION LRV AMOUNTS ARE INCLUDED IN BOTH THE FEDERAL AND NON-FEDERAL PROJECT BUDGETS. THE ATCS CONTRACT WILL BE MODIFIED WHEN THE NEXT STATE GRANTS ARE AWARDED.
4. --- THE ADA AMOUNT WILL BE REQUESTED FROM FY04 SECTION 8 PER MTC CAPITAL PRIORITIES INSTRUCTIONS. THE ATCS CONTRACT WILL BE MODIFIED WHEN THE FY04 SECTION 9 GRANT IS AWARDED.
5. --- THE REPLACEMENT LRV AMOUNT WILL BE AVAILABLE WHEN THE NEXT FEDERAL & STATE GRANTS ARE AWARDED LIQUIDATING LONP COMMITMENTS. CONTRACT WILL BE MODIFIED W/ ALREADY AWARDED FUNDS. A NEW LONP/MLTYEAR FUNDING AGREEMENT WILL BE SOUGHT TO ENSURE FUTURE

Item 6 - File 101-92-3

Department: Department of Public Works (DPW) -
Bureau of Architecture (BOA)
Fire Department
California Academy of Sciences

Item: Supplemental appropriation ordinance, Department of Public Works, for various capital improvement projects.

Amount: \$6,100,000

Source of Funds: 1989 Earthquake Safety Bonds (Phase I)

Description: In April, 1992, the Board of Supervisors approved a resolution (File 170-92-3) which authorized and directed the sale of General Obligation bonds (1989 Earthquake Safety Bonds) in the amount of \$6.1 million. The proposed ordinance would appropriate these \$6.1 million of 1989 Earthquake Safety Bond funds.

The proposed ordinance would be used primarily for seismic upgrading projects at Fire Stations #36, Fire Station #40, Fire Station #21, Pump Station #1, and the California Academy of Sciences - Research Wing. In addition to seismic upgrading projects, the proposed ordinance would also fund the following various capital improvements projects:

- Disabled access improvements;
- Design, construction and construction management;
- Asbestos abatement;
- Certain costs related to the bond sale, including bond counsel and investment advisory services, printing and other expenses.

Comments: 1. The proposed supplemental funds would be used as follows:

Fire Station #36

Bureau of Architecture (BOA) Design Services	\$ 140,000
BOA Construction Services	35,000
Construction Contract	<u>645,000</u>
Total Fire Station #36	\$ 820,000

Fire Station #40

Construction Contract	\$1,162,864
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<u>Fire Station #21</u>	
BOA Design Services	\$ 176,000
BOA Construction Services	45,000
Construction Contract	<u>860,000</u>
Total Fire Station #21	\$1,081,000

<u>Pump Station #1</u>	
BOA Design Services	\$ 304,580
BOA Construction Services	90,000
Construction Contract	<u>1,669,000</u>
Total Pump Station #1	\$2,063,580

<u>California Academy of Sciences - Research Wing</u>	
Construction Contract	<u>\$ 916,000</u>

Subtotal	\$6,043,444
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<u>Contingency</u>	6,556
Approximately .12 percent of construction contracts, totalling \$5,252,864 (See Comment #6)	

<u>Chief Administrative Officer (CAO)</u>	10,000
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<u>City Attorney</u>	<u>40,000</u>
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Total Supplemental Appropriation Request	\$6,100,000
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2. The construction contractors for the above-listed projects have not yet been selected. Therefore, a total of \$5,252,864 (consisting of \$645,000 for Fire Station #36, \$1,162,864 for Fire Station #40, \$860,000 for Fire Station #21, \$1,669,000 for Pump Station #1 and \$916,000 for the California Academy of Sciences) should be reserved pending the selection of the contractors, the MBE/WBE status of the contractors and finalized cost details.

3. The \$10,000 budgeted for the CAO's Office would be used for bond program coordination for the \$6.1 million bond sale. This \$10,000 would also cover expenses incurred by the Controller's Officer for review and certification of the bond funds.

4. The \$40,000 budgeted for the City Attorney's Office would be used for costs incurred for the review of bond writing and the preparation of legal documents for the \$6.1 million bond sale.

5. Mr. Roger Wong of the DPW's Bureau of Architecture (BOA) reports that the design and construction services which would be provided with the proposed supplemental

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BUDGET ANALYST

funds would include general project administration, construction management and inspection. Mr. Wong also reports that the amount budgeted for BOA design services is estimated at approximately 18 percent to 22 percent of the construction contract, but these design service costs also include project contingencies, asbestos abatement monitoring and testing and plan check fees. BOA construction services are estimated between five and six percent of the construction contract.

6. As noted above, the contingency costs of \$6,556 which are included in the above-listed budget are only approximately .12 percent of the total construction contracts totalling \$5,252,864. According to Mr. Wong, contingency costs of approximately 10 percent have already been included in the \$5,252,864 budgeted for construction contracts. However, Mr. Wong reports that the \$6,556 budgeted for contingencies is for any additional design or construction contingencies which may arise. Therefore, the Budget Analyst recommends to reserve the \$6,556 budgeted for contingencies pending the specification of any additional design or construction costs.

7. The proposed supplemental appropriation ordinance would fund projects beginning approximately in August, 1992 through January, 1995.

- Recommendations:**
1. Amend the proposed ordinance to reserve a total of \$5,259,420, which consists of \$5,252,864 for construction contracts pending the selection of the contractors, the MBE/WBE status of the contractors and finalized cost details and \$6,556 for design and construction contingencies pending the specification of any additional design or construction costs.
 2. Approve the proposed ordinance as amended.

Item 7 - File 101-92-4

Department: Department of Public Works (DPW), Bureau of Building Inspection (BBI)

Item: Supplemental Appropriation Ordinance

Amount: \$135,778

Source of Funds: State of California Controller - Code Enforcement and Rehabilitation Fund

Description: According to State law, the State may disallow certain rental tax deductions to owners of multiple unit housing complexes who fail to comply with enforcement mandates of State and local building codes. If the State disallows these tax deductions, the State is entitled to collect back taxes and any associated penalties. The State allocates, on an annual basis, a portion of these penalties and back taxes to participating counties to be used for the following State mandated purposes: (1) to defray costs incurred in the enforcement of local housing code provisions, (2) to fund housing rehabilitation programs for persons and families of low and moderate income, as defined in Section 50093 of the State Health and Safety Code, and (3) to prevent or minimize displacement of tenants and homeowners as a result of local enforcement activities. These State funds are deposited into the City's Code Enforcement Rehabilitation Fund (CERF) and must be separately appropriated by the Board of Supervisors.

BBI requests appropriation of \$135,778 of State monies allocated to the City to be used to administer and provide interest free Code Enforcement and Rehabilitation Fund (CERF) loans to low income single and two-family households and to purchase data processing equipment. BBI has submitted the following budget for the expenditure of the \$135,778:

Personnel

1426 Senior Clerk Typist	.33 FTE	
(Includes overhead and		
Mandatory Fringe Benefits)		\$20,219
 6270 Housing Inspector	.13 FTE	
(Includes overhead)		<u>14,925</u>
	.46 FTE	

Subtotal

\$35,144

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Operating Expenses

Administrative Costs for 15 loans @ \$366
per loan (Includes title insurance, escrow
fees and recording fees) \$5,490

CERF Loan Fund 51,144*

Subtotal \$56,634

Data Processing Equipment

Computer Software \$30,000

3-Computer Workstations @ \$3,750 each
(workstation includes a personal
computer, monitor and printer) 11,250

Miscellaneous Computer Accessories 2,750

Subtotal Data Processing Equipment 44,000

Total \$135,778

*The \$51,144 would be added to the existing CERF Fund balance of \$397,412, bringing the total amount available in the Fund to \$448,556. The maximum amount allowed for a CERF loan is \$7,500, which would result in an estimated minimum of 6.8 additional loans based on the additional \$51,144 and \$7,500 per loan.

Comments:

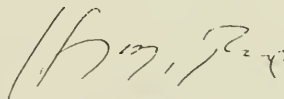
1. Mr. Donald McConlogue of the DPW reports that the \$44,000 budgeted for data processing equipment (software and hardware) represents a one-time cost to transfer the present CERF related data information system from the Controller's Information Services Division to BBI's data network. Mr. James Albert of the DPW reports that the transfer of the CERF related data information system represents a portion of a three-year automation plan to redesign and integrate BBI's business processes. Mr. McConlogue advises that DPW currently work orders approximately \$2,000 to the Controller's Office annually, which will no longer be required when BBI assumes responsibility for administering its own CERF related data information system. The Electronic Information Processing Steering Committee (EIPSC) has reviewed and approved BBI's purchase of this data processing equipment in conjunction with BBI's three-year automation plan.

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2. According to Mr. McConlogue, the BBI has historically funded an average of 20 CERF loans each year. However, for 1991-92, a total of only nine loans totalling \$41,810, at an average loan of \$4,646, were funded. Mr. McConlogue advises that BBI is aware of the need to expand advertising and outreach efforts in order to make low-income households more aware of the availability of these loans, particularly since the CERF now has a balance of \$448,556 representing at least 60 potential loans at a maximum of \$7,500 each. Mr. McConlogue reports that BBI and the Mayor's Office of Housing have agreed to meet and develop a plan aimed at increasing the number of loans granted to qualified low-income applicants. The Mayor's Office of Housing has recently assumed responsibility for administering the CERF loans. Such loans had previously been administered by the Real Estate Department. Mr. McConlogue states that BBI is also in the process of examining other program options, outside of CERF loans, for the use of the CERF funds. No specific proposals in this regard have been developed at this time. Mr. McConlogue adds that any such proposals would have to conform to the State mandated guidelines, outlined above, for the use of the CERF monies.

3. As noted above, the BBI has included administrative costs in the amount of \$5,490, to process 15 loans during Fiscal Year 1992-93. Based on 15 loans at a maximum of \$7,500 each, the BBI would expend \$112,500 of the available \$448,556 (current balance of \$397,412 plus \$51,144, which is the subject of this request) in the CERF Loan Fund, leaving a balance of \$336,056, as of June 30, 1993.

Recommendation: Approve the proposed ordinance.



Harvey M. Rose

cc: Supervisor Gonzalez	Clerk of the Board
Supervisor Migden	Chief Administrative Officer
Supervisor Hallinan	Controller
President Shelley	Kent Sims
Supervisor Achtenberg	Jean Mariani
Supervisor Alioto	Barbara Kolesar
Supervisor Britt	Ted Lakey
Supervisor Conroy	
Supervisor Hsieh	
Supervisor Kennedy	
Supervisor Maher	

BOARD OF SUPERVISORS
BUDGET ANALYST

CALENDAR

**SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO**

MONDAY, JULY 27, 1992 - 1:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 161-92-4. [Redevelopment Agency Budget and Bonds] Resolution approving the budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 1992-1993; approving and authorizing an amendment to the indebtedness limitation agreement between the Redevelopment Agency and the City and County of San Francisco; and approving the issuance by the Agency of bonds in an aggregate principal amount not to exceed \$65,000,000 for the purpose of financing redevelopment activities in fiscal year 1992-1993. (Supervisor Gonzalez)
(7/20/92 - Rereferred to Committee with direction to report back to Board on 7/27/92)

ACTION: Amended on page 1, line 3, and on page 3, line 1, after "1992-1993", by adding "as amended". Further amended on page 3, line 1, after "in", by adding "amended". (See file for budget amendments.) Recommended as amended. New title: "Approving the budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 1992-1993, as amended; approving and authorizing an amendment to the indebtedness limitation agreement between the Redevelopment Agency and the City and County of San Francisco; and approving the issuance by the Agency of bonds in an aggregate principal amount not to exceed \$65,000,000 for the purpose of financing redevelopment activities in fiscal year 1992-1993."

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July 24, 1992

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JUL 27 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendations*SAN FRANCISCO
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SUBJECT: July 27, 1992 Special Finance Committee Meeting

Note: This item was rereferred from the Board of Supervisors to the Finance Committee for purposes of the Budget Analyst to analyze specific areas in the San Francisco Redevelopment Agency (SFRA) budget as directed by the Board of Supervisors.

Item 1 - File 161-92-4**Department:** San Francisco Redevelopment Agency

Item: Resolution approving the budget of the Redevelopment Agency of the City and County of San Francisco for Fiscal Year 1992-93; approving and authorizing an amendment to the Indebtedness Limitation Agreement between the Redevelopment Agency and the City and County of San Francisco; and approving issuance by the Agency of bonds in an aggregate principle amount not to exceed \$65,000,000 for the purpose of financing Redevelopment activities in Fiscal Year 1992-93.

Amount: \$121,933,000

Source of Funds:	Property Sales	\$27,482,000
	Rentals/Leases	6,170,000
	Prior Year Earnings/Savings	14,804,000
	Grants	5,000,000
	Debt Proceeds	4,000,000
	Developer Contributions	500,000

Tax Increment	\$7,316,000
1992-93 Tax Increment Bond Requirement	<u>56,661,000</u>
Total	\$121,933,000

Description: The San Francisco Redevelopment Agency has proposed a \$121,933,000 budget for 1992-93 as follows:

Legal	\$1,754,000
Econ. Studies & Misc. Items	2,029,000
Acquisition	16,000,000
Public Improvements	22,147,000
Architect. & Engineer. Design & Review	4,134,000
Construction Monitoring	1,426,000
Relocation	252,000
Property Maintenance	3,435,000
Housing Production & Assistance	20,437,000
Employment/Business Assistance	1,476,000
Business Dev./Revitalization	6,626,000
Debt Service	12,689,000
Refinancing: Fuji Debt	16,785,000
Restricted Funds	<u>3,964,000</u>
Subtotal	\$113,154,000
Personnel Costs	\$7,096,000
Administrative Costs	<u>1,683,000</u>
Subtotal	\$8,779,000

Total Project Costs \$121,933,000

A description of major project activities and anticipated accomplishments for each project for 1992-93 are as follows:

Yerba Buena Center \$50,967,000

Complete construction of Central Block 2 Center for the Arts and Esplanade Garden with Martin Luther King, Jr. Memorial Fountain. The Agency would also start construction of the East Garden of Central Block 2 and complete design and start construction of the child care center, ice rink/bowling center, children's place, carousel and park on Central Block 3 as well as working with four citizens committees on issues relating to design and operation of the children's uses. The Agency would monitor construction of the San Francisco Museum of Modern Art and implementation of Affirmative Action goals. The Agency would work with the City to expand the Fifth and

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Mission Street Garage, which includes design review and construction monitoring.

Rincon Point - South Beach/South Beach Harbor \$19,227,000

Continue to monitor construction and affirmative marketing plan for housing.

Complete acquisition of parcels and subsequent negotiations of Owner Participation/Land Disposition Agreement with a selected developer and begin design review of preliminary and final construction drawings.

Prepare offering for development for commercial or residential uses.

Participate in the maintenance of local streets of the Community Facilities District.

Continue to pursue master lease for private development of Pier 40.

Exercise option to lease with the Port and begin construction of South Beach Park and continue to maintain, operate and market the South Beach Harbor.

Negotiate leasing agreement with the Port for Rincon Point Park, as well as conduct a toxic study and prepare concept design plans for the Rincon Point Park.

Western Addition A-2

\$4,601,000

Continue to provide relocation, affirmative action, economic development, housing and public improvement activities in the Western Addition A-2. Future activity in the A-2 Redevelopment Project Area is directed towards completion of the Fillmore Center with the development of Parcel 732-A and 732-B which would bring the total residential development in the designated Fillmore Center to 1,531 units of housing. Over 400 of these units are affordable to households of very low, low and moderate income.

Hunters Point

\$458,000

Complete construction of 62 affordable housing units at one location and begin construction of 134 units of affordable ownership housing units and provide additional housing subsidies to purchasers of units to be constructed in the Hunters Point School II site. In addition, the Agency intends to fund the San Francisco Housing Development Corporation to market low and moderate housing.

Hunters Point Shipyard

\$696,000

Continue to negotiate with the Navy to produce Long-Term Lease for the Shipyard by June 30, 1993 and work with the Navy to expedite toxic clean-up schedule and toxic remediation.

Work with the Citizens Advisory Group to develop economic development plan for long-term use and work with Mayor's Office of Business and Economic Development (MOBED) to develop a Master Plan.

Relocate entry gate to achieve public access to the Shipyard.

India Basin

\$353,000

Monitor land use compliance under the Redevelopment Plan.

Provide economic development assistance and opportunities through a program with the Urban Economic and Development Corporation.

Affordable Housing Program

\$15,764,000

The program would continue to be administered jointly with the Mayor's Office of Housing. The allocation of funds for each program category may be adjusted depending on need, but the overall program allocations totaling \$15,764,000 would be:

Nonprofit Acquisition, Rehabilitation and New Construction of Low/Moderate Housing	\$7,500,000
Nonprofit and Tenant Purchase of At-risk Federally Subsidized Developments	1,100,000

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Seismic Upgrading of Low-income Housing in Unreinforced Masonry Buildings	\$1,000,000
Housing Loans and Grants to People with AIDS	4,000,000
Affordable Housing Subsidies	2,000,000
Relocation Assistance	152,000
Fair Housing Testing in Agency-financed Rental Projects	<u>12,000</u>
Total	\$15,764,000

South of Market **\$3,475,000**

Acquisition of 2-3 family housing development sites for the development of approximately 100 family dwelling units and acquisition of 2-3 Single Room Occupancy (SRO) Hotels and/or apartment buildings for the purposes of rehabilitation and instituting better management.

Initiate acquisition negotiations on potential new housing development sites.

Begin construction on three new housing development sites which would produce 57 new family units and 140 replacement SRO units.

Establish a Housing Services Project to provide a variety of services to SOM area residents.

Initiate construction design of street improvements.

Continuation of lighting, safety, and street cleaning improvements on 6th Street.

Initiate efforts to acquire land and develop a children's park.

Complete and adopt an amended redevelopment plan.

South Beach Harbor **\$6,717,000**

Continue to maintain and operate the harbor.

South Bayshore Study Area **\$450,000**

Complete Phase II (Urban Design) implementation strategy for the proposed South Bayshore Redevelopment Plan.

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Begin process for creation of a survey area for the development of Third Street.

Center for the Arts

\$2,844,000

Center for the Arts buildings are currently scheduled to be completed in April of 1993. Therefore, the goals for the Center for the Arts include developing a program plan for the Center, continuing to develop the fundraising plan, and developing an operational plan.

Economic Development

\$7,602,000

Identify at least three opportunity sites for commercial revitalization projects in project areas.

Establish financing pools to assist small businesses.

Originate and process at least five approved loan packages for the facade Improvements Loan Program for business in the South of Market Redevelopment Area and originate and process at least five approved loan packages for the South of Market guaranteed loan program.

Implement Phase I recommendations for the Third Street Commercial Revitalization Program.

Implement recommended programs for Chinatown.

Implement recommended programs for Western Addition, India Basin and Hunters Point Redevelopment Areas.

Conclude lease negotiations with the Navy regarding disposition of Hunters Point Naval Shipyard.

Provide technical support for Citywide development plans.

Successful placement of at least three small businesses in Bayview Plaza and Fillmore Center.

Develop a small business incubator project in the Western Addition to assist small businesses.

Central Relocation Services (CRS)

\$315,000

Provide housing assistance to 750 displaced households, administer payments through the Special Temporary Rent Assistance program and coordinate approximately 90

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inspections of replacement housing by the Bureau of Building Inspection to assure that housing referrals are to standard units. In addition, CRS would provide relocation assistance and administer benefits to 13 businesses scheduled for displacement by City departments.

Grand Total

\$113,469,000

The proposed legislation would also approve and authorize an amendment to the Indebtedness Limitation Agreement between the SFRA and the City. This agreement authorizes the SFRA to claim \$5,592,000 annually to repay the 1992 Tax Increment Bond and limits the SFRA to a cumulative annual tax increment payment of \$12,908,000 per its statement of indebtedness to be filed by October 1, 1992. The \$12,908,000 payment would be distributed as follows:

1992-93 Proposed SFRA Tax Increment Revenue

1989-90 Tax Increment	\$3,158,924	
1990-91 Tax Increment	1,853,150	
1991-92 Tax Increment	2,167,774	
South Beach Harbor Tax Increment	<u>136,152</u>	
Total Prior Year Tax Increment Revenue		\$7,316,000
1992-93 Proposed Tax Increment		<u>5,592,000</u>
Total 1992-93 Tax Increment Revenue		\$12,908,000

The proposed legislation would finally approve the issuance of bonds in an aggregate principle amount not to exceed \$65,000,000 for the purpose of financing 1992-93 redevelopment activities. The Agency is requesting \$65 million as the aggregate principle amount in tax increment bonds, though the Agency only requires \$56,661,000 or \$8,339,000 less than \$65 million. According to Mr. Bob Gamble of the Redevelopment Agency, the Agency would need 10 percent of the \$56,661,000 bond amount or \$5,666,100 to pay bond issuance costs and the remaining \$2,672,900 would be used as a contingency to take into account changes in interest rates.

Comments:

1. The Budget Analyst has recommended reductions to the SFRA FY 1992-93 proposed expenditures which total \$143,159 as follows:

Delete Vacant Secretary II	\$36,426
Delete Vacant Sr Clerk Typist	16,471
Reduce Fringe Benefits	10,193

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Temporary Employee & Replacement Costs	\$11,976
Communication-Telephone	1,337
Communication-Postage & Express	5,149
Travel-Local	1,141
Travel-Out-of-Town	357
Office Supplies	8,015
Janitorial Supplies	716
Supplies:	
Mimeo/Printing/Photography	11,743
Lease	13,150
Other Costs	5,235
Purchase:	
Machines/Equipment/Furniture	<u>21,250</u>
Total	\$143,159

In addition, the Budget Analyst has recommended the following reserves:

Six Months funding for Six Clerical Positions	\$113,653
Six Months Funding for Fringe Benefits for Six Clerical Positions	22,367
Previously appropriated Economic Development Funds	3,450,000
10-months funding for Central Records	<u>186,330</u>
Total	\$3,772,350

As of the writing of this report, these budgetary recommendations are being considered again by the Finance Committee after being rereferred from the Board of Supervisors for purposes of the Budget Analyst to analyze specific areas in the SFRA budget as directed by the Board of Supervisors.

2. The Agency reports that as of June 1, 1992, \$361,000 of \$1,624,000 in economic development funds for the Western Addition has been spent in previous fiscal years. These funds were appropriated in fiscal year 1990-91 for economic development activities and have been carried forward last fiscal year and again this fiscal year. In addition, as of June 1, 1992 \$515,000 of the \$2,702,000 of economic development funds for Hunters Point have also been spent. Again, these funds were originally appropriated in FY 1990-91. As such, the Agency's FY 1992-93 budget should be

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amended to reduce the Prior Year Earnings/Savings Revenues by \$876,000, from \$14,804,000 to \$13,928,000. Further, the Agency's 1992-93 budget should be amended to reduce Economic Development Expenditures by \$876,000, from \$7,602,000 to \$6,726,000.

3. The Budget Analyst completed a management audit of the San Francisco Redevelopment Agency in January of 1992 which made several findings and recommendations including the following:

- The Redevelopment Agency's 26 clerical positions are relatively high compared to other similar City departments and other redevelopment agencies. The Agency has an automated voice mail telephone answering system and 79 percent of Agency staff have a computer at their desk. Further, the Agency employs Executive Secretaries to work in non-executive divisions. The Budget Analyst recommended that the Agency conduct a classification and workload study to determine their clerical staffing needs and to reduce clerical staff by eight positions. Because the Agency currently has two vacant clerical positions, we are recommending deleting them. In addition, the Agency reports that a workload and classification study will be completed within six months. As such, we recommend that funding for six clerical positions be placed on reserve for the last six months of fiscal year 1992-93, pending the outcome of this study.
- The process of implementing the Agency's economic development program has not occurred in an effective and efficient manner. The Agency Commission has yet to adopt an implementation plan for the program since its inception two years ago. Funds have not been awarded through a competitive evaluation process, and no needs assessment has occurred prior to awarding funds for economic development programs. As a result of these findings, the Budget Analyst recommended that the Board of Supervisors not allocate additional funds for economic development programs until the Board of Supervisors has received and reviewed a copy of an economic development plan.

The Agency reports that an economic development strategic plan for the City is being developed by the Agency in conjunction with the Mayor's Office of Business and Economic Development and the Board of Supervisors. In addition, the Agency has developed an economic development implementation plan to be reviewed by the Redevelopment Commission within the next two months.

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We recommend that \$3,450,000 of previously appropriated but unspent economic development program funding proposed in the FY 1992-93 budget be placed on reserve pending submission to the Board of Supervisors of the approved economic development strategic plan and/or the economic development implementation plan.

- The budget the Agency submits to the Board of Supervisors does not include data on actual revenues and expenditures from previous fiscal years, does not include interest income as a separate line item, nor does it include five-year projections on how much funding the Agency anticipates needing. Primarily because of the timing of the Budget Analyst's Management Audit report, the proposed FY 1992-93 budget does not include these items. However, the Agency did submit these items to the Budget Analyst separately.
- The Agency's Records Retention Program has not been evaluated since its formal inception and should be re-evaluated by the Agency Commission. The Budget Analyst recommended that the program be evaluated to determine whether it would be less expensive for the Agency to contract out the microfilming of Agency documents. The Agency reports to have assembled a Records Management Program Task Force. This Task Force is expected to arrive at a decision regarding the financial feasibility of contracting out microfilming sometime in August of 1992. As such, we recommend reserving \$186,330 or 10 months funding for the Records Retention Program pending submission of the Records Management Program Task Force's report to the Board of Supervisors.

4. The Budget Analyst's Management Audit report also recommended that because it would be less expensive in the long run to fund redevelopment activities on a pay-as-you-go basis instead of debt financing, the Board of Supervisors should consider pay-as-you-go as a policy option when they review future tax increment-backed bond issues. However, pay-as-you-go would cost the City's General Fund approximately \$49,578,375 (87.5 percent of the proposed \$56,661,000 bond requirement) in fiscal year 1992-93 as compared to costing the General Fund approximately \$4,893,000 (\$5,592,000 tax increment revenue x 87.5 percent) in fiscal year 1992-93 to repay the proposed bond and \$146,790,000 over the next 30-years (\$4,893,000 x 30 years.) Although the Budget Analyst believes it would be more fiscally prudent in the long run to fund redevelopment activities on a pay-as-you-go basis instead of debt financing

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them, the current condition of the City's General Fund budget could not absorb the additional \$49,578,375 expenditure. As such, the Budget Analyst recommends approving the proposed \$65,000,000 bond issuance.

5. The Budget Analyst's proposed reductions of the Agency's budget totaling \$143,159 would reduce the Tax Increment bond requirement by \$143,159, from \$56,661,000 to \$56,517,841. The proposed 1992-93 Tax Increment payment of \$5,592,000 would be reduced by \$13,689 to \$5,578,311. Over 30 years, the total savings would be \$410,670. 87.5 percent of the City's property tax revenue is deposited into the General Fund. As such, the proposed reductions would reduce the General Fund contribution by \$11,978 each year for 30 years for a total of \$359,340 in General Fund savings.

6. The Agency receives interest income from unspent funds during the course of the fiscal year that is subsequently budgeted in the Prior Year Earnings account in the following fiscal year. The Agency projects that the Agency will earn approximately \$2.1 million in interest income during FY 1992-93. This \$2.1 million will be budgeted in FY 1993-94.

7. In December of 1991, the Redevelopment Agency contracted with a private consulting firm to perform a management audit of the Center for the Arts at Yerba Buena Center. The consulting firm, Melanie Beene and Associates, has recently completed this audit and submitted a 67 page report. The following is a brief listing of the audit's findings:

- The Center for the Arts is the progeny of a real estate transaction. The Center is neither artist-driven nor board-driven.
- The extended time lag in commitment and action by the Agency and the master developer has put the project at risk.
- The external environment has changed significantly since the project's inception.
- It is questionable whether the facilities, as configured, are sufficiently "needed" by the community to ensure the operation's economic viability.

- The governance structure of the organization is a hybrid one which will continue to create tensions/limitations for the organization.
- There is an inadequate knowledge base of the functioning of the producing arts industry within the board, staff and Agency to ensure proper implementation of, or accountability for, the project.
- The project is conceived and operating under erroneous assumptions.
- The mission of the organization is poorly articulated and inadequately understood.

Additional Budget Analysis as Requested by the Board of Supervisors

Yerba Buena Center Outside Legal Counsel (\$370,000)

Outside legal services totaling \$370,000 are needed (1) to continue the negotiation with Olympia & York (O&Y) for a General Release, an Option Agreement and matters related to recordation of Quit Claim Deeds for Central Block-1 Office Parcel, (2) representation of the SFRA in connection with possible bankruptcy of O&Y (New York Bankruptcy Court), and (3) representation of SFRA in connection with bankruptcy of TALDEN, the developer of the supermarket and the housing at 4th and Harrison Streets. The Budget Analyst concurs with this budgeted amount in order to minimize SFRA exposure in the O&Y bankruptcy. However, the Budget Analyst has identified unused funds totaling \$35,000 from the 1990-91 budget for Yerba Buena Center outside legal services and therefore recommends a deletion of \$35,000.

Yerba Buena Center Contingency Funds (\$650,000)

This amount reflects one percent of the anticipated construction cost on Central Block-2 (\$65 million) for the defense against claims arising from such construction. Since all of the construction will not occur during 1992-93, the Budget Analyst believes that at least \$100,000 of the \$650,000 can be budgeted in the next fiscal year and recommends a reduction of \$100,000 in the 1992-93 budget.

Rincon Point/South Beach Outside Legal Counsel (\$125,000)

This amount is for outside legal counsel for the negotiation of the Land Disposition Agreement with The Gap, the potential developer of Site C-1, two eminent domain actions for acquisition of the site to be sold to The Gap, and advice on toxic materials issues throughout the project area. The Budget Analyst believes that such services can be partially accomplished in-house by SFRA attorneys and recommends a reduction of \$25,000. In addition, a residual of \$136,000 remains in the 1990-91 budgeted funds which can offset 1992-93 budgeted

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expenditures. Therefore, the Budget Analyst recommends a total reduction of \$161,000 in the 1992-93 budget.

Rincon Point/South Beach Contingency Funds (\$75,000)

Based on our inquiry, SFRA agrees to eliminate this budgeted item from the 1992-93 budget because it is not needed. Therefore, the Budget Analyst recommends a reduction of \$75,000.

South Beach Harbor Outside Legal Counsel (\$9,000)

This requested amount is based on previous legal experience for the impounding of vessels and Federal lien sales to collect delinquent dockage fees associated with the South Beach Harbor. Because of the small amount, the Budget Analyst believes that such claims can be administered in-house by the SFRA attorneys. Therefore, the Budget Analyst recommends a reduction of \$9,000.

South Beach Harbor Contingency Funds (\$25,000)

Based on a review of the history of existing claims, the Budget Analyst concurs with this requested setaside for South Beach Harbor claims.

Western Addition A-2 Outside Legal Counsel (\$250,000)

These funds include (1) litigation costs for Independent Housing Services, et al. v. Fillmore Center Associates, SFRA, et al., which seeks to establish Agency responsibility for assuring developer compliance with handicapped access laws, (2) representation of the SFRA in the Fillmore Center Associates (FCA) bankruptcy proceedings in order to assure continued availability of 223 affordable units in the project and the fulfillment of FCA's responsibility to build a community center, and the (3) defense of 43 lien claims asserted against the SFRA as a result of Fillmore Center's bankruptcy. Because a total of \$130,000 of the legal services remains unspent from the 1990-91 SFRA budget, the Budget Analyst recommends a reduction of \$130,000 in the 1992-93 budget.

Western Addition Contingency Funds (\$50,000)

This amount is budgeted for the payoff of mechanic liens with which the Budget Analyst concurs.

Hunters Point Naval Shipyard Outside Legal Counsel (\$50,000)

Outside legal assistance is needed for the preparation of California Environmental Quality Act (CEQA) documents, toxic material issues (the Shipyard is currently designated a Superfund site) that would surpass current Federal cleanup standards for industrial sites, real estate issues in connection with the negotiations and drafting of a Lease and Management Agreement for the

Shipyards. The Budget Analyst concurs with the amount funded for this budgeted item.

Hunters Point Naval Shipyards Contingency Funds (\$25,000)

This represents the payoff of possible nuisance claims which the Budget Analyst believes is a reasonable setaside for this cost.

India Basin Industrial Park Outside Legal Counsel (\$50,000)

This amount is for outside legal assistance for a specific case involving toxics. Because there is a residual of \$15,000 for legal services from the 1990-91 budget, the Budget Analyst recommends a reduction of \$15,000 in the 1992-93 budget.

South of Market Outside Legal Counsel (\$25,000)

This amount is for outside legal counsel to assist SFRA staff attorneys with condemnation proceedings for unsafe buildings as the result of the earthquake. Since there is a residual of \$38,000 from the 1990-91 budget, the Budget Analyst recommends a reduction of \$38,000.

South Bayshore Outside Legal Counsel (\$50,000)

To date, South Bayshore remains a project in a preliminary planning status without a Board of Supervisors designated Project Survey Area. Under these circumstances, the Budget Analyst believes that legal services for environmental and toxic studies should be reduced by 50 percent for a savings of \$25,000.

Adjustments to Reductions from Prior Year Funds for Outside Legal Counsel (-\$17,000)

Residual funds budgeted for legal services in the FY 1990-91 budget include \$80,000 for Hunters Point. However, Mr. Gamble has advised that the FY 1991-92 budget for legal services had an ending year \$97,000 cost overrun related to unanticipated outside legal expenses, resulting in an additional need of \$17,000 (\$97,000 less \$80,000). It is recommended that the above recommendations for reductions by the Budget Analyst be offset by this \$17,000 need.

A recap of the recommended savings in Outside Legal Counsel and related Contingency Fund expenditures are as follows:

Yerba Buena Center	\$135,000
Rincon Point-South Beach	236,000
South Beach Harbor	9,000
Western Addition A-2	130,000
India Basin Industrial Park	15,000
South of Market	38,000
South Bayshore	25,000
Adjustment to Savings	<u>(17,000)</u>
Total Recommended Reductions	\$571,000

The SFRA advises that outside legal assistance is needed to complete all of the work assignments required by the City's Redevelopment Program and related activities. The in-house legal staff consists of the SFRA General Counsel at an annual salary of \$100,126 and two Deputy General Counsels at an annual salary of \$84,448 each. Fringe benefits for these three positions total \$51,838 (\$269,022 x .19269). The salary and fringe benefit cost for these three positions totals \$320,860. This staff is assisted by two legal secretaries and part-time clerical and legal clerk (second year law student). This staff manages the legal affairs of the SFRA, including direct involvement in and coordination of litigation, and advisory services provided by outside counsel. The total in-house legal staff budget for FY 1992-93 is \$473,413.

The Agency General Counsel supervises the work of outside litigation counsel on all major litigation matters, including making fundamental strategic decisions, deciding whether or not to recommend a settlement to the Redevelopment Commission, reviewing all drafts of briefs, declarations and related matters and preparing SFRA witnesses for depositions and for trial.

The Deputy General Counsels oversee all of the legal work associated with the SFRA housing and economic development programs, all legal work associated with personnel and labor relations matters, all conflict of interest matters as they affect SFRA staff and Commissioners, all legal work associated with construction, as well as compliance with local, State and Federal requirements related to the Community Development Block Grant (CDBG) Program (CDBG program income is a significant source of SFRA funding), the subsidized housing programs of the Federal Department of Housing and Urban Development, the Federal Tax Code as it relates to low-income housing programs and State statutes and regulations with respect to housing programs. The Deputies also oversee much of the work related to the Agency's public finance activities, related to SFRA agreements with owners of property in project areas (owner participation agreements), and all but the very largest and most complex of agreements involving the disposition of SFRA-owned land to developers (land disposition agreements and development ground leases).

The Budget Analyst has also reviewed contractual and work order services for various economic analyses and project activities and provides these comments and recommendations by individual projects as follows:

Yerba Buena Center Economic Evaluations (\$150,000)

Currently, the SFRA has four major sites valued at \$87.0 million and one minor site valued at \$2.3 million which need to be sold, and a \$45.0 million entertainment/retail development which has a development Request for Qualifications set for issuance. These developments represent \$134.3 million. In order to achieve the public benefits desired from the sale and lease of these sites, the SFRA needs to draw upon technical assistance from outside consultants to determine the optimum value for these sites based on the current market and the future of the city's economy. The Budget Analyst believes that these economic analyses can be performed for \$120,000 with a savings of \$30,000 to the budget because a portion of the analysis can be performed by existing staff. Therefore, the Budget Analyst recommends a reduction of \$30,000 from this \$150,000 request.

Yerba Buena Center Other Related Services and Analyses (\$66,000)

This request includes Bureau of Building Inspection (BBI) inspections and engineering services (\$20,000), toxic studies (\$40,000) and traffic analysis (\$6,000). BBI inspections must be performed for 693 Mission Street, the Jessie Street Substation and the Jessie Hotel. Engineering services would investigate potential structural problems for SFRA owned properties. Toxic studies are needed due to the presence of contaminated materials and the preparation of remediation plans. Traffic analysis would be performed by the Department of Parking and Traffic to evaluate lane closures, detours and other related traffic safety measures while improvements are being constructed on Sites CB-2 and CB-3. The Budget Analyst concurs that these are necessary budgeted costs.

Rincon Point/South Beach Economic Analysis (\$30,000)

These studies will assist the development and marketing of three sub areas, Rincon Point Park, South Beach Park and Sites D and F. Economic analysis is needed for Rincon Point Park to analyze the siting of a restaurant (Tavern on the Green) as a source of revenue in lieu of rent for the use of Port Land for the Park. With respect to South Beach Park, the SFRA is obligated to pay rent to the Port when it exercises its option to lease the area as a park. Revenues generated by current tenants is significantly less than SFRA is required to pay the Port. The SFRA needs to look at potential revenues sources for South Beach Park which are compatible with the current Redevelopment Plan. Sites D and F may require additional outside economic analysis in order to achieve economically feasible projects which would require a plan change. The Budget Analyst concurs with these costs.

Rincon Point/South Beach Toxic Studies and Remediation (\$200,000)

This cost is divided between Rincon Point Park (\$125,000) and South Beach Park (\$75,000). The SFRA is continuing to conduct toxic studies on the Rincon Point Park to determine the extent of remediation work associated with toxic contamination. Remediation work includes preliminary endangerment assessment, on-site mitigation of excavated materials and placement of an impervious barrier at the bottom of the excavation. For the development of South Beach Park, the SFRA is planning on exercising its option to lease Seawall Lot 334 and part of the roadway from the Port of San Francisco for Phase 1 of the Park. Part of the SFRA obligation is to conduct toxic evaluation studies in order to make an assessment of toxic contamination of the site and to determine extent of remediation work. Based on our discussions with SFRA staff, the Budget Analyst believes that \$25,000 of the toxic studies for Rincon Point Park could await funding to the following fiscal year. Therefore, the Budget Analyst recommends a reduction of \$25,000.

Hunters Point Shipyard Planning and Related Studies (\$300,000)

These funds are to be utilized for physical land use and economic planning, environmental impact analysis of the selected planning alternative, plus further subsurface toxic analysis which may be required as a result of proposed new project uses and options for the former Hunters Point Shipyard. Negotiations are expected to be concluded in October 1992 between the City and the U. S. Navy which encourages the timely completion of these studies. The Budget Analyst concurs with the budgeted amounts.

Hunters Point Shipyard Consultant Services (\$175,750)

These funds involve services by City departments, including City Attorney (\$21,250 - .25 FTE), City Planning (\$54,500 - 1.05 FTE), Mayor's Office of Business and Economic Planning - MOBEP (\$20,000 - .25 FTE), Port (\$55,000 - .33 FTE) and Department of Public Health (\$25,000 - .33 FTE). The SFRA will contract for the services of these City departments by Letter Agreement. The City departments will assist the SFRA to identify the amount of staff resources required to negotiate lease and land agreements with the Navy, prepare toxic and land use analysis, manage dry-docks and piers, administer buildings and land, and oversee the planning and development of the 550 acre parcel. There are potential savings to the City Planning (\$54,500), MOBEP (\$20,000), and the Port (\$55,000) budgets if these departments use existing staff for the designated work rather than hiring additional staff to accomplish the work requested by the SFRA. Until it is decided how these services will be funded, either from funds already approved in departmental budgets or from the SFRA, the Budget Analyst recommends that an amount of \$129,500 be reserved.

South of Market (SOM) Consultant Services (\$315,000)

These services include \$150,000 for the preparation of a supplemental Environmental Impact Report (EIR), \$75,000 for civil engineering and related

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professional design services, \$10,000 for appraisals and economic analysis on seven to ten residential properties and \$80,000 for miscellaneous consulting services to formulate a housing strategy. The EIR (\$150,000) is needed for a proposed SOM Plan Amendment that would expand the existing redevelopment project area to facilitate additional housing, community facilities, and economic development activities. The Plan Amendment would also require Owner Participation Agreements on properties in the project area to facilitate the (1) rehabilitation of existing Single Room Occupancy (SRO) hotels and apartment buildings and the (2) development of new housing and commercial development. Since the consulting work calls for a supplemental EIR, the Budget Analyst recommends that the amount budgeted should be reduced by 20 percent or from \$150,000 to \$120,000 for a reduction of \$30,000 because some of the research has already been completed in the original EIR and some of the work on the supplemental EIR can be done by in-house staff.

The \$75,000 for civil engineering represents 15 percent (2 percent for surveys, 8 percent for civil engineering, 2 percent for geotechnical and 3 percent for urban design) of a total estimated cost of \$500,000 for public improvements. The Budget Analyst believes that 4 percent for civil engineering and 1 percent of the urban design, for a total 5 percent could be done by in house engineering and architectural staff for a savings of \$25,000. Therefore, the Budget Analyst recommends a reduction of \$25,000.

The Budget Analyst concurs with the \$10,000 budgeted for appraisals and economic analysis on the ten housing properties and believes that the \$80,000 budgeted for miscellaneous consulting services of Tenants and Owners Development Corporation (TODCO) could be reduced to \$60,000 to formulate a housing strategy and develop a SRO management program based on more recent negotiations between SFRA and TODCO. Therefore, the Budget Analyst recommends a reduction of \$20,000.

South Bayshore Consultant Services (\$400,000)

SFRA has budgeted \$150,000 for land use planning studies and urban design conceptual guidelines for a redevelopment area, and \$250,000 for an Environmental Impact Report (EIR). As indicated earlier in our discussion of legal services for this project, South Bayshore remains a project in a preliminary planning status without a Board of Supervisors designated Project Survey Area. Because this project is in its early stages, the Budget Analyst believes that funds for detailed planning and environmental impact analysis can be reduced 50 percent pending more definitive City policy to move forward with this project. This reduction from \$400,000 to \$200,000 would provide a savings of \$200,000. In addition, the remaining \$200,000 should be put on reserve pending action by the Board of Supervisors to designate a South Bayshore Project Survey Area. Therefore, the Budget Analyst recommends a reduction of \$200,000 and a reserve on the remaining \$200,000.

A summary of the recommended savings in consultant services for SFRA project and economic development activities are as follows:

Yerba Buena Center	\$ 30,000
Rincon Point/South Beach	25,000
South of Market	75,000
South Bayshore	<u>200,000</u>
Total	\$330,000

In addition, a total of \$329,500 for Hunters Point Naval Shipyard (\$129,500) and for South Bayshore (\$200,000) planning and economic development studies should be reserved.

The FY 1992-93 SFRA budget makes reference to the McCarquodale limit on tax increment financing for the Western Addition A-2 Redevelopment Project. Currently, and as required to revise the McCarquodale limit, the SFRA has legislation (File 161-92-5) pending before the Finance Committee to increase the limit of tax allocation bonds for the Western Addition A-2 Project by \$550,000. These funds would be expended for capital improvements and economic development assistance to the Western Addition Cultural Center. Board of Supervisors approval of this increase to the tax allocation bonds is required as the result of the McCarquodale limit.

The FY 1991-92 budget for the Center for the Arts at Yerba Buena Gardens is funded from a portion of the Marriot Hotel Lease payments to the SFRA. Lease payment revenues which are not included in the Center for the Arts budget are to be reserved for the future maintenance and security of the Yerba Buena Gardens.

At its meeting of June 30, 1992, the Finance Committee indicated it would review the Center for the Arts budget in October 1992 based on changes to the current 1992-93 budget that reflect the recent findings of the previously noted consulting firm, Melanie Beene and Associates. This firm has completed a management audit and, as previously noted in this Budget Analyst report, submitted several findings that would affect an amended budget for the Center for the Arts. Since an amended budget would consider changes related to \$158,600 currently budgeted for contractual services, \$91,106 for a four percent contingency and \$16,000 for miscellaneous business and project expenses, these items will be reviewed when the Center for the Arts submits its budget to the Finance Committee for a review in approximately October, 1992.

The FY 1991-92 budget identifies the hiring of seven new positions as follows:

Communications Assistant (1)
Development Assistant (1)
Manager of Institutional Gifts (1)
Director of Programs (2)
Program Assistant (1)
Operations Assistant (1)

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Ms. Leslie Mieko advises that \$260,000 was budgeted for these seven positions in 1991-92 and a total of \$91,500 was actually expended leaving a residual total of \$168,500. Therefore, the Budget Analyst recommends a reduction of \$168,500.

Construction plans for the East Garden on Central Block 2 in the Yerba Buena Center Redevelopment Project is budgeted for \$2,300,000. This construction is an integral part of the total Central Block 2 currently under construction (see attached map). Because the East Garden is located between the Visual Arts Building and the Theater, directly across the street from the Museum of Modern Art (MOMA), and adjacent to the Esplanade, the Budget Analyst concurs it should be completed in conjunction with the other improvements scheduled for Central Block 2 (CB 2) for the following reasons:

- The completion of all construction would minimize disruption to the operations of the Moscone Center expansion underneath the SFRA improvements. Even if the garden is not built in conjunction with the other improvements, substantial costs will have to be incurred to cover the Moscone roof. This covering would then, at a later date, have to be removed or modified in order to install the garden as currently designed, thus significantly increasing the total cost.
- The East Garden has an important relationship with the Visual Arts Building and the Theater of the Center for the Arts which is scheduled to be opened in October 1993. The East Garden is designed so that it can be used as a performance and display space for the Center for the Arts.
- The East Garden has a critical visual relationship to the Museum of Modern Art.
- The East Garden is adjacent to the Esplanade on CB 2 and represents an important physical link between the Esplanade and the Center for the Arts. If the construction of the East Garden were delayed, the circulation of people in the area would be negatively affected.
- SFRA reports that the bidding atmosphere for public improvements is currently very positive due to the slowdown in private construction, and, therefore, delay of the facility would likely result in increases in the total cost.
- Leaving this portion of CB 2 incomplete would negatively affect the SFRA's ability to market the parcels across the street which are no longer under option to Olympia and York.

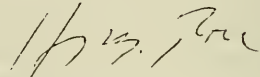
- Recommendations:**
1. Reduce the proposed 1992-93 San Francisco Redevelopment Agency budget by \$143,159 from \$121,933,000 to \$121,789,841 as identified in Comment 1. These recommendations are subject to final review and acceptance or rejection by the Finance Committee during the budget review hearings on the Redevelopment Agency.
 2. Reduce the Prior Year Earnings/Savings Revenues by \$876,000, from \$14,804,000 to \$13,928,000. Further, the Agency's 1992-93 budget should be amended to reduce Economic Development Expenditures by \$876,000, from \$7,602,000 to \$6,726,000 as identified in Comment 2.
 3. Reserve \$113,653 for salary for six clerical positions for the last six months of the fiscal year pending the results of a workload and classification study.
 4. Reserve \$22,367 of mandatory fringe benefits for the six clerical positions.
 5. Reserve \$3,450,000 of previously appropriated but unspent economic development funding of the proposed budget of \$6,726,000 pending submission to the Board of Supervisors of an economic development implementation and/or strategic plan.
 6. Reserve \$186,330 or 10 months funding pending a report to the Board of Supervisors of the decision of the Records Management Program Task Force to contract these services out.
 7. Although the Budget Analyst believes it would be more fiscally prudent in the long run to fund redevelopment activities on a pay-as-you-go basis instead of debt financing them, the current condition of the City's General Fund budget could not absorb the additional \$49,578,375 expenditure, as identified in Comment 4. As such, the Budget Analyst recommends approving the proposed \$65,000,000 bond issuance for the purpose of financing Redevelopment Agency activities in FY 1992-93.
 8. Approve the proposed amendment to the Indebtedness Limitation Agreement between the Redevelopment Agency and the City and County of San Francisco.

9. As a result of additional analysis of the 1992-93 San Francisco Redevelopment Agency budget, the Budget Analyst recommends the following reductions and reserves:

a. Outside Legal Counsel and Related Contingency Fund Expenditures	\$571,000
b. Consultant Services for Project and Economic Development Expenditures	330,000
c. Center for the Arts costs	<u>168,500</u>
Total additional reductions	\$1,069,500

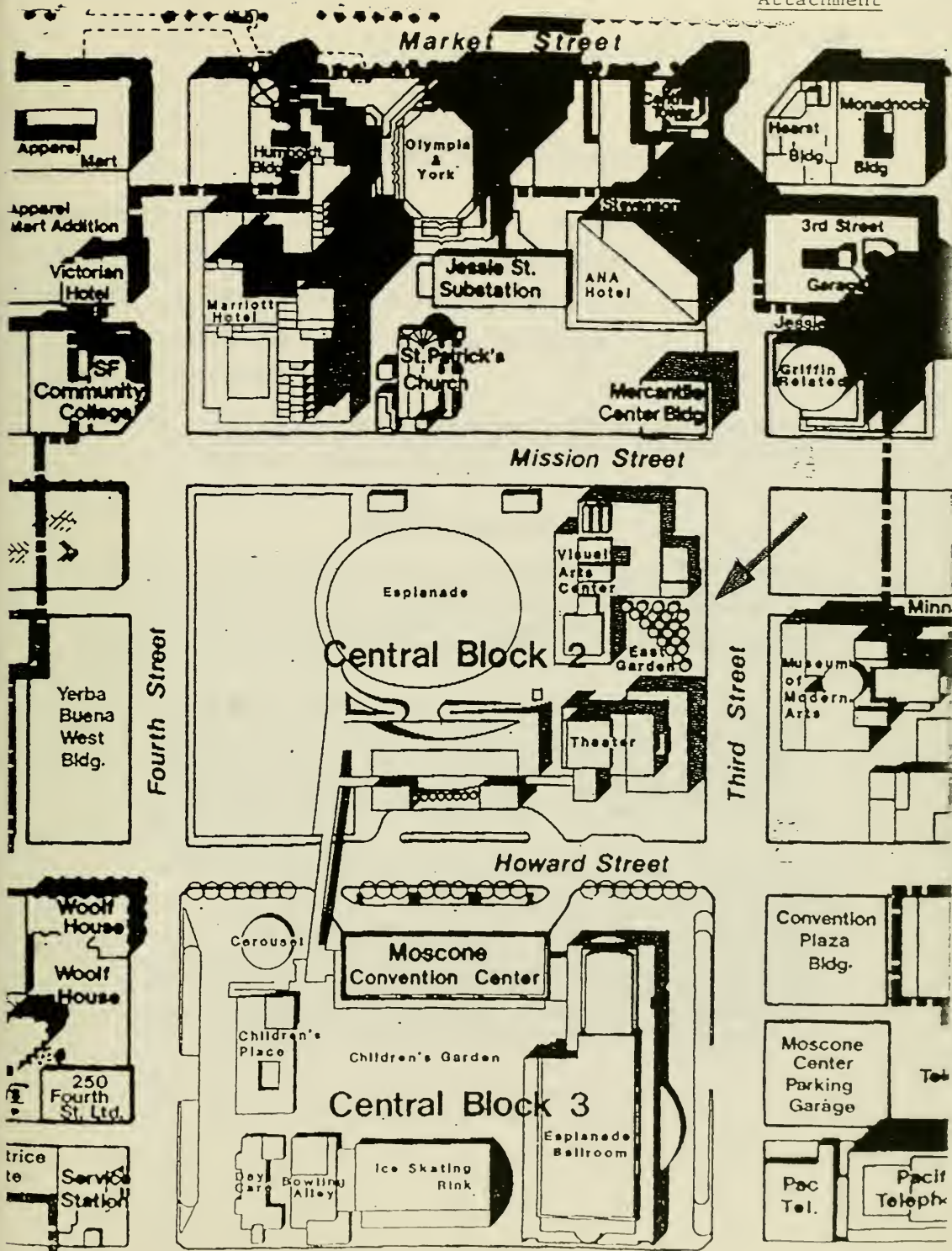
Additionally, reserve \$329,500 in Planning and Economic Development Study Expenditures.

10. Approve the proposed budget as amended.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey



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CALENDAR -- Actions Taken

DOCUMENTS DEPT.

JUL 31 1992

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, JULY 29, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

ABSENT: SUPERVISOR GONZALEZ - ITEMS 1a and 1b

SUPERVISOR MIGDEN - ITEMS 1c, 1d, 1h and 1o

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (a) File 138-92-5. [Grant - Federal Grant] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend grant funds in the amount of \$87,443 made available through the California Office of Criminal Justice Planning for a project entitled "Gang Violence Suppression Program" for the twelve month period July 1, 1992 through June 30, 1993 and agreeing to provide cash match in the amount of \$9,716. (District Attorney)

ACTION: Amendment of the Whole prepared in Committee. Recommended as amended. New title: "Authorizing the District Attorney of the City and County of San Francisco to apply for, retroactively, accept and expend grant funds in the amount of \$87,443, which includes indirect costs \$4,627 based on 5 percent of personnel costs and operating expenses, made available through the California Office of Criminal Justice Planning for a project entitled "Gang Violence Suppression Program" for the twelve-month period of July 1, 1992 through June 30, 1993 and agreeing to provide cash match in the amount of \$9,716."

- (b) File 143-92-3. [Grant - State Funds] Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$121,271 made available through the Office of Criminal Justice Planning for a project entitled "Gang Suppression, Apprehension and Prevention"; and agreeing to provide cash match in the amount of \$12,127. (Police Department)

ACTION: Amendment of the Whole prepared in Committee. Recommended as amended. New title: "Authorizing the Chief of Police of the City and County of San Francisco to apply for, retroactively, accept and expend funds in the amount of \$121,271, which includes indirect costs of \$6,352 based on 5 percent of personnel costs and operating expenses, made available through the Office of Criminal Justice Planning for a project entitled "Gang Suppression, Apprehension and Prevention"; and agreeing to provide cash match in the amount of \$12,127."

- (c) File 146-92-52. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to apply for a continuation grant of \$2,500,000, which includes in indirect costs based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding AIDS Surveillance Project. (Department of Public Health)

ACTION: Recommended.

- (d) File 152-92-1.1. [Grant - State Funds] Resolution authorizing the Sheriff's Department of the City and County of San Francisco to accept and expend \$166,622 in funds from the State of California Board of Corrections for the Standards and Training of Local Corrections Programs; stipulating adherence to standards for recruitment and training established by the Board of Corrections, waiving any indirect costs; companion measure to File 152-92-1. (Sheriff)

ACTION: Recommended.

- (e) File 101-90-121.1. [Release of Funds] Requesting release of reserved funds, Water Department/1991 Series A Revenue Bond, in the of amount 10.5 million, for San Andreas Pipeline No. 3 Relining Project. (Water Department)

ACTION: Hearing held. Continued to Call of the Chair.

- (f) File 101-91-10.1. [Release of Funds] Requesting release of reserved funds, Department of Public Health/Division of Mental Health and San Francisco General Hospital (1987 Mental Health Facility Improvement Bond), in the amount of \$21,624,000 (S.J. Amoroso Construction Company, contractor), for the construction of the Mental Health Skilled Nursing Facility and release of an additional amount of \$972,000 in interest earnings for construction contingency. (Department of Public Health)

ACTION: Hearing held. Release of \$20,194,487 recommended. Filed.

- (g) File 147-92-2.1. [Grant – Federal Funds] Resolution authorizing the City Librarian to accept and expend funds not to exceed \$696,579 available through the California State Library from Title II of the Library Services and Construction Act for Public Library construction, which includes indirect costs of the amount of \$43,997 or five percent of the total; companion measure to File 147-92-2. (Public Library)
(Cont'd from 7/15/92)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the City Librarian to accept and expend funds not to exceed \$696,579 available through the California State Library from Title II of the Library Services and Construction Act for Public Library construction, which includes indirect costs of the amount of \$34,829 based on five percent of the total and a required match in the amount of \$696,579; placing \$456,750 on reserve."

- (h) File 147-92-4. [Grant – State Funds] Resolution authorizing the execution of a grant contract with the California State Library for the award of a grant of Library Construction and Renovation Bond Act funds, which contract provides for the State to be indemnified and held harmless from all claims or damages which may arise in relation to the contract. (Public Library)
(Cont'd from 7/15/92)

ACTION: Recommended.

REGULAR CALENDAR

2. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 7/22/92)

ACTION: Hearing held. Continued to August 5, 1992, meeting.

3. File 25-92-22. [Contracting Out City Services – Police Department] Resolution concurring with the Controller's certification that janitorial services can be practically performed for San Francisco Police Department facilities by private contractor for lower cost than similar work services performed by City and County employees. (Police Department)
(Cont'd from 7/15/92)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

4. File 97-92-42. [Emergency Medical Services Fund] Ordinance amending Administrative Code, by amending Section 10.117-73, to require that the Emergency Medical Services Fund be continued using penalty revenues pursuant to Government Code Sections 76000 and 76104, to require that the moneys in such fund be payable only for the purposes specified in Government Code Section 76104, and to make changes pursuant to recent amendments to Health and Safety Code Sections 1797.98a through 1797.98g. (Municipal Court)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

5. File 97-92-43. [Automated Fingerprint Identification Fund] Ordinance amending Administrative Code, by amending Section 10.117-108, to establish the Automated Fingerprint Identification Fund pursuant to Government Code Section 76102, to require that the moneys in such fund be payable only for the purposes set forth in Government Code Section 76102, and to renumber Charter Section 6.311 to 6.306. (Municipal Court)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

6. File 97-92-43.1. [Disbursement of the additional penalties] Resolution providing for the disbursement of the additional penalties assessed in criminal cases pursuant to Government Code Section 76000, establishing a Courthouse Construction Fund pursuant to Government Code Section 76100, establishing an Automated Fingerprint Identification Fund pursuant to Government Code Section 76102, continuing an Emergency Medical Services Fund pursuant to Government Code Section 76104, and imposing an additional penalty on all parking offenses to support the Courthouse Construction Fund pursuant to Government Code Section 76000; companion measure to File Nos. 97-92-42, 97-92-43 and 97-92-44. (Municipal Court)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

7. File 97-92-44. [Courthouse Construction Fund] Ordinance amending Administrative Code, by amending Section 10.117-35, to rename the "Courthouse Temporary Construction Fund" the "Courthouse Construction Fund", to require that surcharges on filing fees in the Municipal and Superior Courts and penalty assessments provided in Government Code Section 76000 be deposited in such fund, and to require that the moneys deposited in such fund be used only for the purposes set forth in Government Code Sections 76000, 76100 and 76238. (Municipal Court)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

8. File 97-92-44.1. [Courthouse Construction Fund] Resolution renaming the Courthouse Construction Fund and continuing the surcharge on filing fees in Civil and Probate actions in the Superior Court and in civil actions in the Municipal Court as provided in Government Code Section 76238 and Section 10.117-35 of the San Francisco Administrative Code, to assist in the acquisition, rehabilitation, construction, and financing of courtrooms or of a courtroom building or buildings containing facilities necessary or incidental to the operation of the justice system in the City and County of San Francisco; companion measure to File 97-92-44.1. (Municipal Court)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

9. File 27-92-5. [Airport - Lease Modification] Ordinance approving Modification No. 1 of lease agreement between City College of San Francisco and City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)

ACTION: Recommended.

10. File 47-92-5. [Garage Lease Documents] Ordinance approving and adopting Polk-Bush Garage legal documents and authorization for management agreement. (Real Estate Department)

ACTION: Continued to August 5, 1992, meeting (at the request of department).

11. File 101-92-5. [Government Funding] Ordinance appropriating \$9,916, Department of Public Works, for capital improvement project (Hall of Justice Parking Lot Expansion) and certifying \$9,916 from capital improvement project (Hall of Justice Parking Lot Expansion), to cover overage above ten percent of contracted amount pursuant to provisions of Charter Section 7.203; providing for ratification of action previously taken. RO #92031 (Controller)

ACTION: Recommended.

12. File 170-92-9. [Sewer Revenue Refunding Bonds] Resolution amending and restating Resolution No. 542-88, adopted July 17, 1988, Resolution No. 677-88, adopted August 29, 1988 and Resolution No. 605-91, adopted July 15, 1991, providing for the issuance of not to exceed \$385,000,000 aggregate principal amount of City and County of San Francisco Sewer Revenue Refunding Bonds, Series 1992, curing certain ambiguous provisions, adding to the covenants of the City, authorizing Sales Certificate and appointing escrow agents; companion measure to File 170-92-9.1. (Chief Administrative Officer)

ACTION: Amendment of the Whole adopted. Recommended as amended.

13. File 170-92-9.1. [Sewer Revenue Refunding Bonds] Resolution authorizing and directing the sale of not to exceed \$385,000,000 aggregate principal amount of City and County of San Francisco Sewer Revenue Refunding Bonds, Series 1992, authorizing the publication of official notice of sale relating thereto; approving the form of the official statement; and authorizing official action; companion measure to File 170-92-9. (Chief Administrative Officer)

ACTION: Recommended.

14. File 186-92-2. [Polk/McAllister City Office Building] Resolution authorizing Chief Administrative Officer to negotiate for development of new city office building and to accept and expend donation of funds to offset city costs incurred through negotiations. (Chief Administrative Officer)

ACTION: Amended on page 1, line 3, and on page 2, line 2, after "expend", by adding "subject to approval of Finance Committee". Recommended as amended. New title: "Authorizing Chief Administrative Officer to negotiate for development of new city office building and to accept and expend, subject to approval of Finance Committee, donation of funds to offset city costs incurred through negotiations."

25
CITY AND COUNTY



OF SAN FRANCISCO

92
BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

July 27, 1992

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TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: July 29, 1992 Finance Committee Meeting

Item 1a - File 138-92-5

Department: District Attorney

Item: Resolution authorizing the District Attorney to apply for, accept and expend a State grant, and agreeing to provide a cash match.

Grant Amount: \$87,443, plus a required local cash match of \$9,716 for a total proposed program cost of \$97,159.

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: District Attorney's Gang Violence Suppression Program

Description: This would be the ninth year of funding for this State mandated program (Chapter 3.5 of the California Penal Code, commencing Section 13826). For the past eight years, the program has had City departments such as the District Attorney's Office working independently to combat gang violence. The 1992-93 program differs from the previous Gang Violence Suppression Programs in that it is now a multi-component program and requires the joint cooperation of the District Attorney's Office, the Police Department, the San Francisco Unified School District, the Adult Probation Department, and community boards in suppressing gang violence.

The District Attorney's Gang Violence Suppression Program is designed to be crime specific, focusing on the vertical prosecution of all adult gang members involved in gang-

related activities, and to coordinate the juvenile prosecution of related gang members. Gang members over the age of 18 are prosecuted as adults, but juveniles may be prosecuted as adults based on the severity of the crime. A vertical prosecution uses one prosecutor per case, from initiating the charges or authorizing warrants, through the Municipal and/or Superior Courts, until the case is adjudicated. The staff prosecutor will also be an integral part of the Gang Event Response Team, thereby being on-call 24 hours per day, so as to work with the investigating agencies before and after arrests are made on gang violence cases.

The program's primary objectives include: (1) assuring focused, in-depth gang-related investigations and prosecutions; (2) increasing the prosecution of targeted gang leadership for prosecutions for conspiracy and criminal street gang membership; (3) increasing the conviction rate for the most serious gang-related charges; and (4) increasing the continuous incarceration rate and generally reducing the time between filing of charges and convictions of gang members.

Project Budget:	<u>Personnel</u>	<u>FTEs</u>	<u>Salaries</u>	
	8182 Head Attorney	0.07	\$ 7,141	
	8180 Principal Attorney	0.65	61,651	
	8132 Investigative Asst.	<u>0.10</u>	<u>3,837</u>	
	Subtotal Salaries	0.82		\$72,629
	Mandatory Fringe Benefits			<u>16,678</u>
	Subtotal Personnel Costs			\$89,307
	<u>Operating Expenses</u>			
	Travel (one grant-related two day conference in Southern California for one person)		\$ 705	
	Audit		972	
	Office Supplies		273	
	Postage		94	
	Photocopies/Supplies		396	
	Telephone Services		574	
	Publications		<u>211</u>	
	Subtotal Operating Expenses			3,225

<u>Indirect Costs</u>	<u>\$ 4,627</u>
Total Program Budget	\$97,159
Less required match	<u>9,716</u>
Total Proposed Grant	\$87,443

Required Match: The required match of \$9,716 has been included in the District Attorney's budget for FY 1992-93, to be funded through the General Fund. The State OCJP requires that 10 percent of the total program budget of \$97,159 be matched at the local level.

Indirect Costs: \$4,627 or 5 percent of \$92,532 (Personnel + Operating Expenses).

Comments: 1. Ms. Bridget Bane of the District Attorney's Office reports that if the proposed State grant of \$87,443 is reduced or terminated, the result would be a reduction of District Attorney staff. As noted above, the proposed grant would fund .82 FTEs.

2. The proposed grant is one of two Gang Violence Suppression Programs included in this Report to the Finance Committee, as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
District Attorney *	138-92-5	\$87,443
Police	143-92-3	<u>121,271</u>
Total		\$208,714

* The subject of the proposed resolution.

3. The application deadline for this grant was June 3, 1992. Therefore, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for the proposed grant, since the District Attorney's Office has already applied for this grant. Ms. Janet Salyer of the District Attorney's Office advises that as of the writing of this report, the District Attorney's Office has not been notified as to the exact amount of the proposed State grant.

4. The \$87,443 includes indirect costs of \$4,627 in the grant budget. Since the indirect costs were not mentioned in the title of the proposed resolution and specific indirect costs were not noted in the body of the proposed resolution, the proposed resolution should be amended to include indirect costs of \$4,627 in both the title and the body of the proposed resolution.

5. Attached is a copy of the Summary of Grant Request form, as completed by the District Attorney's Office. The \$97,159 amount shown in the attachment includes the grant amount of \$87,443 and the local match amount of \$9,716.

6. The District Attorney's Office has completed a Disability Access Checklist, which is in the file.

Recommendation:

1. Amend the proposed resolution to retroactively authorize the District Attorney's Office to apply for the proposed grant and to include indirect costs of \$4,627 in both the title and the body of the proposed legislation.

2. Approve the proposed resolution, as amended.

Grantor Office of Criminal Justice Planning

Contact Person Kirby Everhart

Address 1130 K Street, Suite 300
Sacramento, CA 95814

Amount Requested \$ 97,159

Term: From _____ To _____

Health Commission _____

Division District Attorneys Office

Section _____

Contact Person Bridget Bane

Telephone 553-1895

Application Deadline 06-03-92

Notification Expected _____

Board of Supervisors: Finance Committee _____

Full Board _____

I. Item Description:

(Circle appropriate words)

Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a)
grant in the amount of \$ 97,159 from the period of 07 01 92 to 06 30 93
to provide Gang Violence Suppression Program _____ services.

II. Summary:

(Concise history, need statement, impact, program services and priorities)

Reapplication for the Gang Violence Suppression Program; a state mandated project. The San Francisco District Attorneys Office has received funding for this program for the past eight years. During this time, the underlying essence of the program has not changed but the program has grown to be a multi component program involving the SFDA, SFPD, SFUSD, Adult Probation Dept. and Community Boards. The Gang Violence Suppression Program, District Attorney component is designed to be crime specific focusing on the vertical prosecution of all adult gang members involved in gang related activities.

III. Outcomes/Objectives: Increase overall prosecution efforts in suppressing street gang activities and depriving these gangs of their leadership and income success.

IV. Effects of Reduction or Termination of These Funds:

As the Gang Violence Suppression Program has proven to be effective as well as valuable to the Citizens of the City and County of San Francisco, continued funding will be sought in order to maintain this project which supports one full time prosecutor and partially funded support staff. The community will be negatively impacted should this type of prosecution be reduced or terminated.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	100,000	98,699	97,159	-1,540	9,716	
Personnel	91,730	91,381	89,307	-2,074		
Equipment	n/a	n/a	n/a	n/a		
*Contract Svc.	n/a	n/a	n/a	n/a		
Mat. & Supp.	176	274	273	1		
Facilities/Space	n/a	n/a	n/a	n/a		
Other	3,094	2,315	1,980	335		
Indirect Costs	5,000	4,699	4,627	72		

VI. Data Processing

(none included above)

VII. Personnel

	2*	2*	2*		
F/T CSC					
P/T CSC	n/a	n/a	n/a		
Contractual	n/a	n/a	n/a		

* Positions at varying percentages--balances paid by the District Attorneys Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant: General Fund

--see above

Will grant funded employees be retained after this grant terminates? If so, how?

Grant funded employees will be retained contingent upon continued source of funding available.

***VIII. Contractual Services:** Open Bid _____

Sole Source _____

(if sole source, attach Request for Proposals Form)

Item 1b - File 143-92-3

Department: Police Department

Item: Resolution authorizing the Chief of Police to apply for, accept and expend a State grant, and agreeing to provide a cash match.

Grant Amount: \$121,271, plus a required local cash match of \$12,127 for a total proposed program cost of \$133,398.

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: San Francisco Police Department's Gang Suppression, Apprehension and Prevention Program

Description: This would be the seventh year of funding for this State mandated program (Chapter 3.5 of the California Penal Code, commencing Section 13826). For the past six years, the program has been known as the Gang Violence Suppression Program, with City departments such as the Police Department working independently to combat gang violence. The proposed program differs from the Gang Violence Suppression Program in previous years in that it has grown into a multi-component program and now requires the joint cooperation of the Police Department, the District Attorney's Office, the San Francisco Unified School District, the Adult Probation Department, and community boards in efforts to suppress gang violence.

The proposed grant funds would be primarily used to provide funding for overtime hours incurred by the Police Department's Gang Violence Suppression Unit and to purchase computer equipment linking the Police and Adult Probation Departments with the Oakland Police Department's sophisticated gang information computer system. One of the features of Oakland's GREAT computer system is that photographs of suspected gang members can be transmitted over the system. Police Department staff would continue efforts to suppress gang activities, proactively gather gang intelligence, and interact with community based organizations, including the public schools, to provide alternatives to gang membership for youths.

Project Budget:

<u>Personnel (Overtime Hours)</u>	<u>Amount</u>
1 Lieutenant @ 168 hours @ \$48.52/hr.)	\$ 8,151
2 Sergeants @ 168 hours @ \$42.66/hr.)	14,334
4 Inspectors @ 168 hours @ \$42.66/hr.)	28,668
10 Officers @ 168 hours @ \$35.62/hr.)	59,842
2 Clerks @ 120 hours @ \$22.24/hr.)	<u>5,338</u>
Total Personnel Costs	\$116,333

Operating Expenses

OCJP Training	\$ 840
OCJP Audit	1,334
Telephone (monthly cellular service)	1,200
1 LAN Computer Upgrade and Link to Oakland Police Dept. w/ Photographic Capability	3,095
1 Video Camera	1,000
3 Computer Upgrades	1,785
Misc. Electronic Attachments	100
Computer Usage Costs	<u>1,359</u>
Subtotal Operating Expenses	10,713

<u>Indirect Costs</u>	<u>6,352</u>
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Total Program Budget	\$133,398
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Less required match	<u>12,127</u>
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Total Proposed Grant	\$121,271
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Required Match: \$12,127, or 10 percent of the total grant award of \$121,271, included in the Police Department's FY 1992-93 budget.

Indirect Costs: \$6,352 or 5 percent of Personnel and Operating Expenses of \$127,046 (see Comment No. 1).

Comments: 1. The body of the proposed resolution, but not the title, states that indirect costs of \$6,273 or 5 percent of the total project cost are included in the grant's budget. However, the Police Department confirms that the indirect costs are actually \$6,352, which is 5 percent of \$127,046 (Personnel Costs + Operating Expenses). In addition, the word "costs" is missing after the word "indirect" in the body of the proposed resolution. Therefore, the proposed resolution should be amended to state in the title and the body of the legislation that indirect costs of \$6,352 are included in the grant's budget.

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2. The application deadline for this grant was June 3, 1992. Therefore, the proposed resolution should be amended to retroactively authorize the Police Department to apply for the proposed grant, since the Police Department has already applied for this grant. Officer Sandi Bargioni of the Police Department reports that as of the writing of this report, the Police Department has not been notified as to the exact amount of the proposed State grant.

3. The proposed grant is one of two related gang suppression grants included in this Report to the Finance Committee, as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
District Attorney	138-92-5	\$ 87,443
Police *	143-92-3	<u>121,271</u>
Total		\$208,714

* The subject of the proposed resolution.

4. Officer Bargioni advises that the salaries and overtime pay of Sergeants and Inspectors within the Police Department are identical.

5. Officer Bargioni reports that it is a high priority for the Police Department's Gang Violence Suppression Unit and the Adult Probation Department to share more gang-related information through computer linkages with the Oakland Police Department. The \$7,339 in computer-related costs listed above will enable the Police Department to establish these computer linkages. Both the San Francisco and Oakland Police Departments believe such linkages will improve their effectiveness in suppressing gang activities, since the gangs in San Francisco and Oakland work together, committing crimes in both localities.

6. Officer Bargioni advises that the \$1,200 in cellular telephone expenditures are only service charges for existing cellular telephones and not for the purchase of additional telephones. The cellular phones are needed as communication devices for Investigators during surveillances which lead to gang raids and arrests.

7. The \$121,271 in proposed grant funds, not including the City match, for FY 1992-93 is \$30,660 or approximately 34 percent more than the FY 1991-92 Gang Violence Suppression Program grant award of \$90,611.

8. Attached is a copy of the Summary of Grant Request form, as completed by the Police Department.
9. The Police Department has completed a Disability Access Checklist, which is in the file.

Recommendations: 1. Amend the proposed resolution to retroactively authorize the Police Department to apply for the proposed grant and to include indirect costs of \$6,352 in both the title and the body of the proposed legislation.

2. Approve the proposed resolution, as amended.

Grantor OFFICE OF CRIMINAL JUSTICE PLANNING Division SAN FRANCISCO POLICE DEPT.
 Contact Person RAY JOHNSON Section GANG TASK FORCE
 Address 1130 K STREET Contact Person LT. MICHAEL DOWER
SACRAMENTO, CA 95814 Telephone 415 553-1135
 Amount Requested \$ 121,271.00 Application Deadline 6/3/92
 Term: From 7/1/92 To 6/30/93 Notification Expected 8/1/92
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a)
 (Circle appropriate words) grant in the amount of \$121,271.00 from the period of 7/1/92 to 6/30/93
 to provide gang violence suppression/prevention services.

II. Summary: (Context/history, need statement, number + groups served, services and providers)
 There has been an escalation in gang recruitment, gang related shootings, robberies, aggravated assaults and extortion in San Francisco and there exists a need to work closely with the schools to educate and combat gang involvement amongst the younger children, who are being recruited by older gang members.

III. Outcomes/Objectives:
 Impact and reduction of gang activities. Educate youth and prevent the recruitment of "wanna be's".

IV. Effects of Reduction or Termination of These Funds:
 Would limit valuable police presence in gang areas by Gang Task Force members, who conduct extensive investigations both on duty and on a grant funded overtime basis.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match Col A&B 25% Col C 10%	Approved by
Grant Amount	140,000.	121,564.	133,398.			
Personnel	128,655.	112,172.	116,336.			
Equipment						
Contract Svc.	1,400.	1,216.	1,334.			
Mat. & Supp.	2,000.	1,998.	7,415.			
Facilities/Space						
Other(Travel)	945.	98.	840.			
Indirect Costs	7,000.	6,080.	6,273.			

VI. Data Processing

(costs included above)

VII. Personnel

	16	16	16
F/T CSC			
P/T CSC			
Contractual			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

N/A

*VIII. Contractual Services: Open Bid ☒ Sole Source _____
 (if sole source, attach Request for Proposals Form)

Item 1c - File 146-92-52

Department: Department of Public Health (DPH),
AIDS Office

Item: Resolution authorizing the Department of Public Health to apply for a continuation grant, which includes indirect costs based on 20 percent of personnel costs, from the Centers for Disease Control to continue funding the AIDS Surveillance Project.

Grant Amount: \$2,500,000

Grant Period: January 1, 1993 through December 31, 1993

Source of Funds: Federal Department of Health and Human Services,
Centers for Disease Control (CDC)

Project: AIDS Surveillance Project

Description: The Board of Supervisors previously approved a resolution (File 146-91-85) which authorized the Department of Public Health to apply for, accept and expend a continuation of a Federal grant of \$2,468,345 for the AIDS Surveillance Project during calendar year 1992, including indirect costs of \$268,122 based on 20 percent of personnel costs. The DPH actually received a grant amount of \$1,962,465, including indirect costs of \$214,750, to fund this project, which constituted the second year of the second 5-year CDC project period.

The purpose of the proposed grant of \$2,500,000 is to continue funding the AIDS Surveillance Project in 1993, which provides the resources to measure and track the AIDS epidemic in San Francisco. The AIDS Surveillance Project generates all meaningful epidemiologic data about the nature of the AIDS epidemic. The DPH is still in the process of negotiating with the CDC regarding the specifics of how the proposed grant of \$2,500,000 should be spent. In previous years, the DPH has used the CDC monies to fund both in-house and contractual services. The CDC has indicated in preliminary discussions that the CDC may request that the DPH perform more surveillance work on an in-house basis and contract out to a lesser extent in 1993.

The proposed grant represents the third year of the second 5-year CDC project period. The budget for the proposed grant is still being developed, but the DPH advises that a detailed line item budget for the proposed grant will be submitted with the

BOARD OF SUPERVISORS
BUDGET ANALYST

Department's request for authorization to accept and expend the proposed funds.

Required Match: None.

Indirect Costs: Not yet determined, but to be 20 percent of personnel costs.

- Comments:**
1. Mr. Tim Piland of the DPH reports that at the time of this writing, no 1993 budget for the project is available, but that it will be provided when the DPH requests the Finance Committee's authorization to accept and expend the grant funds.
 2. Mr. Piland reports that the application deadline for the proposed grant is August 17, 1992 and that notification of the grant award is expected to occur by approximately October 15, 1992, at which time the DPH will request that the Board of Supervisors authorize the DPH to accept and expend the proposed grant.
 4. As previously noted, the prior year's grant was funded in the amount of \$1,962,465. The CDC has informed the DPH that the CDC plans to give the DPH an augmentation to the 1992 grant of \$49,514, for a total grant amount of \$2,011,979 for the 1992 calendar year. The DPH plans to request that the Board of Supervisors authorize the DPH to apply for, accept and expend the augmentation to the 1992 grant of \$49,514 in August, 1992. This proposed request of \$2,500,000 in 1993 CDC monies represents an increase of \$488,021, or approximately a 24 percent increase over the anticipated 1992 total grant amount of \$2,011,979.
 5. Attached is the Summary of Grant Request, as prepared by the DPH.
 6. The DPH has completed a Disability Access Checklist, which is in the file.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Dept of Health at Human Svcs
 Centers for Disease Control
 Contact Person: Nealeen Austin/Jeff Efird
 Address: 255 East Paces Ferry Rd, NE
 Atlanta, GA 30305
 Amount Requested: \$ 2,500,000
 Term: From: 1/1/93 To: 12/31/93
 Health Commission _____ Board of Supervisors: Finance Committee _____

Division: CO/AIDS Div
 Section: AIDS Office
 Contact Person: Tim Piland
 Telephone: 554-9132
 Application Deadline: 8/17/92
 Notification Expected: 10/15/92
 Full Board _____

I. Item Description: Request to (apply for) (~~accept and expend~~) a (~~new~~) (continuation) (~~allocation~~) (~~extension~~) (~~renewal~~)
 (Circle appropriate words) grant in the amount of \$ 2.5 M from the period of 1/1/93 to 12/31/93
 to provide AIDS Surveillance Project services.

II. Summary: (Concise summary; add additional; include a group name; services and providers)

This continuation grant will fund the third year of the current AIDS surveillance cooperative agreement; it funds all AIDS/HIV surveillance and seroprevalence activities conducted by the AIDS Office. A detailed description of this year's activities will accompany the request to accept and expend 1993 AIDS surveillance funding.

III. Outcomes/Objectives:

The objective of the AIDS surveillance and seroprevalence activities is to generate meaningful epidemiologic data about the nature of the epidemic in order to identify and address AIDS/HIV disease trends and issues.

IV. Effects of Reduction or Termination of These Funds:

Failure to apply for these funds would significantly impair our ability to measure and track the AIDS epidemic in San Francisco; failure to apply for these funds would also jeopardize future grant funding availability.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	1,685,616	2,468,345	2,500,000			
Personnel	1,112,330	1,689,171				
Equipment	0	11,298				
Contract Svc.	210,008	208,107	BUDGET IS IN DEVELOPMENT; A DETAILED			
Mat. & Supp.	100,324	114,869				
Facilities/Space	30,189	53,185	LINE ITEM BUDGET WILL BE SUBMITTED WITH			
Other	52,005	123,593				
Indirect Costs	180,760	268,122	THE REQUEST TO ACCEPT AND EXPEND FUNDS.			

VI. Data Processing

(costs included above)

_____ 0 _____ 11,298 _____

VII. Personnel

	24.75	31.50	TBD		
F/T CSC					
P/T CSC					
Contractual	5.00	6.75	TBD		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

None.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

VIII. Contractual Services: Open Bid none Sole Source none (If sole source, attach Request for Quote and Form)

Item 1d - File 152-92-1.1

Department: Sheriff

Item: Resolution authorizing the Sheriff's Department to accept and expend \$166,622 in funds from the State of California Board of Corrections for the Standards and Training of Local Corrections Programs, stipulating adherence to standards for recruitment and training established by the Board of Corrections and waiving any indirect costs.

Grant Amount: \$166,622

Grant Period: July 1, 1992 - June 30, 1993

Source of Funds: State of California Board of Corrections under Senate Bill (SB) 924

Project: Standards and Training of Local Corrections and Probation Officers Program

Description: The Board of Supervisors previously approved legislation authorizing the Sheriff's Department to retroactively apply for the proposed State grant funds in the amount of \$166,622 (File 152-92-1). The proposed grant funds would pay for State-certified training for Corrections Officers in the Sheriff's Department. The program which is operated by the State Board of Corrections, provides funds to improve and standardize the skills of Deputy Sheriff jail staff from entry-level staff to department heads. SB 924 authorized the State Board of Corrections to establish minimum standards for the selection and training of Deputy Sheriff jail staff and to certify the training courses to be taken by personnel participating in this program.

The proposed subvention would fund a total of 370 personnel during the 1992-93 Fiscal Year. Total training hours would be 14,644 and would range from 24 hours of update training for experienced personnel to 200 hours of training for new personnel. Training costs are paid by this subvention and no matching funds are required.

The major subject areas of training are listed below:

Deputy Sheriff Jail Staff

Psychological theory and diagnostic techniques
Security and supervision of minors and adults
Legal considerations
Laws of evidence

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Emergency procedures (i.e. First Aid, CPR)
Supervision of special inmates.

Supervisory, Administrative Personnel

Managing personnel problems
Supervisory skills
Legal aspects of personnel supervision
Budgeting, accounting and fiscal management techniques
Stress management
Communication skills
Legal updates (cases, statutory, administrative law)
Applied management models
Information systems
Cost effectiveness analysis
Community relations

No. of Persons
Served:

Training for 370 personnel

Project Budget:

<u>Staff</u>	<u>Hours</u>	<u>Tuition</u>	<u>Travel</u>	<u>Per Diem</u>	<u>Salary Replacement</u>	<u>Total</u>
370	14,644	\$18,690	\$3,786	\$12,681	\$131,465*	\$166,622

*The \$131,465 completely reimburses the Department for staff time connected with the training program.

Indirect Costs:

None. The State Department of Corrections requires that all funds be used for direct training services. Therefore, the proposed resolution would waive indirect costs.

Required Match:

None

Comments:

1. As noted above, the proposed grant has a start-up date of July 1, 1992. However, the Department has not, as yet, received any of the proposed grant funds.
2. The proposed grant of \$166,622 is approximately \$10,148 or 5.7 percent less than the final FY 1991-92 grant award of \$176,770.
3. Attached is the "Summary of Grant Request" as completed by the Sheriff's Department.
4. A Disability Access checklist has been prepared by the Sheriff's Department for this proposed grant and is included in the file.

Recommendation: Approve the proposed resolution.

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Item No. _____ - Summary of Grant P _____

Rev. 4/10/90

Grantor California Board of Corrections Division S.F. Sheriff's Department
 Contact Person Nathaniel Reed Section Training
 Address 500 Beckett Drive Contact Person Sr. Deputy O'Callaghan
Sacramento, CA 95814 Telephone (415) 553-9600
 Amount Requested \$ \$166,622.00 Application Deadline 04/15/92
 Term: From 07/01/92 To 07/30/93 Notification Expected _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a)
 (Check appropriate box) grant in the amount of \$166,622 from the period of 07/01/92 to 06/30/93
 to provide Training services.

II. Summary: (Check history, need statement, number - proposed services and providers)

Funding provided through the California Board of Corrections to Corrections agencies to provide
 state-certified training. This will be the thirteenth year of participation in the statewide
 training subvention.

III. Outcomes/Objectives:

To ensure compliance with Minimum Jail Standards and the Penal Code. To provide standardized
 entry level training and yearly updates for journey level, management level and administrative
 level staff.

IV. Effects of Reduction or Termination of These Funds:

Inability to comply with state mandated training.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	212,682	189,000*	166,622		0	
Personnel	N/A	N/A	N/A			
Equipment	N/A	N/A	N/A			
*Contract Svc.	N/A	N/A	N/A			
Mat. & Supp.	N/A	N/A	N/A			
Facilities/Space	N/A	N/A	N/A			
Other	N/A	N/A	N/A			
Indirect Costs	N/A	N/A	N/A			

VI. Data Processing

(Check indicated above) N/A N/A N/A

VII. Personnel

F/T CSC	N/A	N/A	N/A		
P/T CSC	N/A	N/A	N/A		
Contractual	N/A	N/A	N/A		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

N/A

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (If sole source, attach Request for Proposals Form)

* Subsequently reduced to \$176,770.

Item 1e - File 101-90-121.1

Department: Water Department

Item: Release of reserved funds for the San Andreas Pipeline No. 3 Relining Project.

Amount: \$10.5 million

Source of Funds: Water Department 1991 Series A Revenue Bonds

Description: On June 26, 1991 the Board of Supervisors approved a resolution (File 101-90-121) to appropriate \$47,925,000 of Water Department 1991 Series A Revenue Bonds for the following projects:

Calaveras Pipeline	\$11,300,000
San Andreas Pipeline No. 3 Relining	15,000,000
Three-Year Main Replacement	19,125,000
Three-Year Service Renewals	<u>2,500,000</u>
Total	\$47,925,000

Of the \$15 million appropriated for the San Andreas Pipeline No. 3 Relining, \$10.5 million was reserved pending the identification of construction contractors.

Comments: 1. The Water Department has requested the release of the \$10.5 million reserve so that the Public Utilities Commission (PUC) can proceed with the award of the project upon receipt of bids. According to Mr. Richard Brandt of the PUC, the Department anticipates advertising the contract August 6, 1992, and Notice to Proceed is anticipated in early November, 1992.

2. Since bids have not been received and the contractors have not yet been selected, the \$10.5 million should continue to be reserved pending the identification and cost details of the construction contractors and the MBE/WBE status of the contractors.

Recommendation: Continue to reserve \$10.5 million pending the identification and cost details of the construction contractors and the MBE/WBE status of the contractors.

Item 1f - File 101-91-10.1

Department: Department of Public Health

Item: Release of \$21,624,000 of reserved funds for the construction of the Mental Health Skilled Nursing Facility, and the release of an additional amount of \$972,000 in interest earnings for construction contingency.

Amount: \$22,596,000

Source of Funds: 1987 Mental Health Facility Improvement Bonds

Description: On June 26, 1991, the Board of Supervisors approved an ordinance (File 101-91-10) to appropriate \$23 million of 1987 Mental Health Facility Improvement Bonds for the construction of the Mental Health Skilled Nursing Facility. The Board of Supervisors placed \$21,624,800 of the \$23 million appropriation on reserve pending selection of a construction contractor and information regarding costs and the MBE/WBE status of the contractor.

On June 10, 1992, the Board of Supervisors approved an ordinance (File 101-92-77) to appropriate \$972,000 for construction contingency costs for the Mental Health Skilled Nursing Facility, and placed the total appropriation of \$972,000 on reserve pending selection of a construction contractor and information regarding costs and the MBE/WBE status of the contractor.

The proposed release of reserve would release the total appropriation of \$972,000 (File 101-92-77), and would release \$21,624,000 of the total \$21,624,800 reserved (File 101-91-10), leaving \$800 on reserve.

Comments: 1. The DPH advises that the letter requesting the release of reserve contains an error, and DPH now requests that the entire \$21,624,800 on reserve be released, or \$800 more than requested (File 101-91-10).

2. The Department of Public Works (DPW) issued Invitations for Bids for the construction of the Mental Health Skilled Nursing Facility in March 1992, and received six bids.

3. The DPW has selected S.J. Amoroso Construction Company as the contractor for the proposed project. S.J. Amoroso is not a MBE or WBE firm, but the proposed contract would have at least 22.7 percent MBE subcontractor participation and 3.4 WBE subcontractor participation.

according to the DPW. S.J. Amoroso was selected based on its low bid of \$17,321,487, the DPW advises.

4. The budget for the total amount requested to be released is as follows:

Construction Contract	\$17,321,487
Construction Contingency (14 percent)	2,410,000
Arts Enrichment Program	333,000
Asbestos Monitoring	50,000
Materials Testing	<u>80,000</u>
TOTAL COST	\$20,194,487
TOTAL REQUEST	<u>22,596,000</u>
DIFFERENCE	\$2,401,513

5. Because S.J. Amoroso's bid was lower than anticipated, \$2,401,513 is available for additional improvements to the Mental Health Skilled Nursing Facility. According to Mr. Buker, the DPW anticipates requesting 1987 bond funds to provide additional services, including built-in furniture and a telephone system. Mr. Buker reports that a contractor for these additional improvements would be selected based on a competitive bid. The DPW would request the release of these outstanding funds at a later date from the Board of Supervisors when a contractor has been selected, Mr. Buker advises.

6. Asbestos Monitoring, at \$50,000, would be performed by the Bureau of Environmental Regulation and Management, a division of the DPW, Mr. Buker reports. Materials Testing, at \$80,000, would be an expansion of an existing architectural contract with Kaplan, McLaughlin, and Diaz in association with Gordon Chong Associates, which was previously approved by the Board of Supervisors.

7. In general, contingency costs equal 10 percent of contract costs rather than the 14 percent currently requested. Mr. Jim Buker of the DPW advises that the \$17.3 million bid was lower than anticipated. Therefore, the DPW anticipates that contingency costs may be higher than usual. Mr. Buker further advises that DPW intends to negotiate with the contractor to perform \$400,000 in maintenance upgrades in

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order to lower long-term operating costs, to be funded from the \$2.41 contingency costs.

8. Although the total request for release is \$22,596,000, the total construction costs and contingency fees for the proposed contract total \$20,194,487. Therefore, \$20,194,487 should be released, and \$2,401,513 should continue to be reserved pending information regarding costs and the MBE/WBE status of the contractor.

Recommendation: Release \$20,194,487, and continue to reserve \$2,401,513 pending selection of additional contractors and information regarding costs and the MBE/WBE status of the contractor.

Item 1g - File 147-92-2.1

Note: This item was continued from the Finance Committee meeting on July 15, 1992.

Department: Public Library

Item: Resolution authorizing the City Librarian to accept and expend funds not to exceed \$696,579 available through the California State Library from Title II of the Library Services and Construction Act, which includes indirect costs in the amount of \$43,997, or five percent of the total grant.

Grant Amount: Not to exceed \$696,579

Source of Funds: Federal grant funds through the California State Library

Grant Period: January, 1993 to April, 1995

Description: The Board of Supervisors previously approved legislation authorizing the Library to apply for the proposed grant funds in an amount not to exceed \$879,935, (File 147-92-2). The Public Library advises that, in the interim, the State has notified the Department that the allocation will be in an amount not to exceed \$696,579 or \$183,356 less than the original not to exceed amount of \$879,935.

The Public Library advises that the proposed grant funds would be used as a match to expand the scope of renovation work for the Mission Branch Library. The Public Library has currently identified \$859,829 in 1988 Library Improvement Bond Funds, \$100,000 in Earthquake Safety Bond Program Phase II funds and \$29,935 in General Fund monies (included in the 1992-93 budget) for a total of \$989,764. The \$989,764 will be used primarily to pay for seismic upgrading electrical work, handicapped accessibility and asbestos abatement. According to the Public Library, the proposed matching grant, which would bring the total amount available for renovation to \$1,686,343, would be used to expand the scope of renovation work to include (1) expansion of the building to the property line to provide a 25 percent increase to the public area of the Mission Branch and to improve the quality of staff work spaces, (2) creation of a single level on the first floor to provide an additional enhancement to handicapped accessibility, (3) expansion of the Children's Department to provide for a reading room area and a separate area for special activities and (4) creation of an area for tutoring and public access to microcomputer use.

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Project Budget:

	Federal Grant <u>Funds</u>	1988 Library Improvement Bond Funds and <u>General Funds</u>	<u>Total</u>
<u>Design Phase</u>			
Programming	\$30,000	\$30,000	\$60,000
Estimator	5,000	5,000	10,000
Bureau of Architecture	30,000	30,000	60,000
Structural Engineer	20,000	20,000	40,000
Mechanical Engineer	10,000	10,000	20,000
Electrical Engineer	10,000	10,000	20,000
Asbestos Investigator	5,500	5,500	11,000
Surveys	<u>1,500</u>	<u>1,500</u>	<u>3,000</u>
Subtotal	\$112,000	\$112,000	\$224,000
<u>Construction Phase</u>			
Construction	\$384,815	\$679,473	\$1,064,288
Construction Management	60,000	60,000	120,000
Permit Fees	1,500	1,500	3,000
Soil Tests	5,000	5,000	10,000
Art Enrichment	10,000	10,000	20,000
Asbestos Abatement	16,500	16,500	33,000
Contingency	<u>42,000</u>	<u>75,356</u>	<u>117,356</u>
Subtotal	\$519,815	\$847,829	\$1,367,644
<u>Equipment</u>			
Data Processing			
Equipment	\$29,935	\$29,935	\$59,870
Indirect Costs	<u>\$34,829</u>	<u>0</u>	<u>\$34,829</u>
Total	\$696,579	\$989,764	\$1,686,343

Required Match: \$696,579. As reflected above, the Public Library has identified \$989,764 of previously appropriated 1988 Library Improvement bond funds and General Funds monies included in the 1992-93 budget that would be used as local matching funds, or \$293,185 more than the \$696,579 required amount of matching funds.

Indirect Costs: \$34,829 (see Comment #1)

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Comments:

1. The Public Library reports that the amount of \$43,997 included in the proposed legislation for indirect costs is incorrect. The correct amount for indirect costs is \$34,829 as reflected in the Project Budget above, or five percent of the total grant award of \$696,579. Therefore, the proposed legislation should be amended to include \$34,829 instead of \$43,997 for indirect costs in both the title and body.

2. As noted above, the proposed grant has a required match of \$696,579. This match is not reflected in the title or body of the proposed legislation. Therefore, the proposed legislation should be amended to reflect the \$696,579 in the title and body of the proposed legislation.

3. The Public Library has received approval from the Electronic Information Processing Steering Committee (EIPSC) for the purchase of the proposed data processing equipment in conjunction with the Public Library's three-year plan for upgrading its data system. As of the writing of this report, the Public Library was unable to provide the specific data processing to be purchased. Therefore, the Budget Analyst recommends that the \$29,935 for data processing equipment be placed on reserve pending the Public Library providing details on the specific equipment to be purchased.

4. The Public Library projects that the renovation on the Mission Branch Library will commence by January of 1994. The Library anticipates that an Invitation for Bids will be issued by December of 1993, to acquire the necessary construction contractor. The Budget Analyst recommends that the proposed legislation be amended to place \$426,815 in grant monies for the construction contract (\$384,815) and contingencies (\$42,000) on reserve pending the Public Library submitting cost details and the MBE/WBE status of the contract.

5. Attached is a grant summary, as prepared by the Public Library, for the proposed grant.

6. The Public Library has prepared a Disability Access Checklist for this proposed grant, which is included in the file.

Recommendations: 1. Amend the proposed legislation to include \$34,829 instead of \$43,997 for indirect costs in both the title and body of the proposed resolution.

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2. Amend the proposed legislation to reflect the required match of \$696,579 in the title and body of the proposed legislation.
3. Amend the proposed legislation to place a total of \$456,750 on reserve for (1) the construction contract and contingencies (\$426,815) pending the Public Library's submission of contractor cost details and the MBE/WBE status of the contract and (2) the data processing equipment (\$29,935).
4. Approve the legislation as amended.

Grant Application Information Form

p.2

Term of grant: January 1993 - April 1995Date Department was notified of available funds: December 2, 1991Application Due Date: April 6, 1992

Grant funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

The Library Services and Construction Act is intended to assist states to establish, extend and improve public library services in areas that are without these services or in which these services are inadequate. Inadequate facilities are those which do not meet locally adopted community service standards, do not provide easy access and use by physically handicapped persons, and do not provide for energy conservation or new technologies. 1992 projects will be measured against the priority that the community serves a minority population which significantly exceeds the state average. These projects can be for additions to existing buildings and for remodeling existing library buildings to provide handicapped access, introduction of new technologies, or remodeling for safe working environments or energy conservation. To meet this priority, populations in the service area of the facility must have a combined Black, American Indian, Eskimo, Aleut, Asian and Pacific Islander (all groups), and Spanish origin populations as defined in the 1980 Census, that is at least 50% of the total population in the facility service area. This program requires a minimum of at least 50% in non-Federal matching funds. This funding must be guaranteed. SFPL will provide this funding from the Library Improvement Bond.

Assessment of Need for Grant Funding:

Current service space in the branch library does not meet standards for a community the size of the Mission. The branch is limited in seating and shelving space. In addition, the current floor plan requires extra staffing and creates security and safety hazards. The adult book collection is not wheelchair accessible. There is not public meeting space. The Library Improvement Bond funding does not allow for site expansion or extensive remodeling. This funding would allow the Library to significantly expand the scope of work at the branch while greatly improving the facility's for public use and safety.

Department Head approval: _____

Kenneth E. Dowlin
Kenneth E. Dowlin
City Librarian

File Number _____

GRANT APPLICATION INFORMATION FORM

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution.

Department: LibraryContact person: Kathy Page Phone: 557-4210Project title: Mission Branch Expansion/RenovationGrant source: Library Services and Construction Act, Title II (Federal)Proposed (X New / Continuation) Grant Project Summary:

Under the Library Improvement Bonds of 1988, the San Francisco Public Library renovating and improving several branch libraries. This grant seeks to expand the scope of work for the Mission Branch Library, the Library's largest branch in the Southeast section of the city. The grant would enable the branch public area to increase by 25% and significantly improve the quality of staff work spaces. Without the grant, the Library will be able to upgrade the building seismically and make it handicapped accessible, nor there will be an opportunity to improve the service level provided at this facility.

Amount of grant funding applied for: \$696,579

Maximum funding amount available: _____

Required matching funds: \$989,764Number of positions created and funded: 0

Amount to be spent on contractual services: _____

Will contractual services be put out to bid? Yes

Item 1h - File 147-92-4

Note: This item was continued from the Finance Committee meeting on July 15, 1992.

Department: Public Library

Item: Resolution authorizing the execution of a grant contract with the California State Library for the award of a grant of Library Construction and Renovation Bond Act funds, which contract provides for the State to be indemnified and held harmless from all claims or damages which may arise in relation to the contract.

Contract Amount: \$2,484,573

Source of Funds: California State Library Construction and Renovation Bond Act Grant

Description: The Board of Supervisors previously approved legislation authorizing the Public Library to apply for, accept and expend California Library Construction and Renovation Bond Act grant funds in an amount not to exceed \$3,100,000 (File 147-91-5). The Public Library reports that the actual grant amount allocated by the State was \$2,484,573. These grant funds are to be used to expand the scope of work for the Chinatown Branch Library which is, according to the Library, the City's busiest branch. The City is in the process of using 1988 Library Improvement Bond Funds to renovate and improve various branch libraries. The City will be using \$1,582,492 in 1988 Library Improvement Bond funds at the Chinatown Branch primarily for seismic upgrading, accessibility to the disabled and improved electrical wiring. The California Library Construction and Renovation Bond Act grant funds will allow the Library to double the size of the Chinatown Branch Library and significantly improve both public spaces and the staff work space, thereby enabling additional services to be provided. The total project cost would be \$4,067,065 (\$2,454,573 in proposed grant funds and \$1,582,492 in local bond funds).

The Public Library advises that the City must enter into the proposed grant contract with the State in order to receive the \$2,484,573 in Library Construction and Renovation Bond Act grant funds.

Project Budget:

	1988		
	Library		
	Grant	Improvement	
	<u>Funds</u>	<u>Bond Funds</u>	<u>Total</u>
<u>Design Phase</u>			
Programming	\$ -	\$60,000	\$60,000
Estimator	6,500	3,500	10,000
Bureau of Architecture	78,000	70,061	148,061
Interior Design	8,104	4,363	12,467
Structural Engineer	26,000	77,000	103,000
Mechanical Engineer	20,150	19,850	40,000
Electrical Engineer	5,890	13,110	19,000
Asbestos Investigator	4,875	2,625	7,500
Surveys	<u>2,405</u>	<u>1,295</u>	<u>3,700</u>
Subtotal	\$151,924	\$251,804	\$403,728
<u>Construction Phase</u>			
Construction	\$1,805,234	\$996,822	\$2,802,056
Construction Management	117,000	99,000	216,000
Permit Fees	5,285	2,846	8,131
Soil Tests	20,865	11,235	32,100
Art Enrichment	9,017	18,729	27,746
Asbestos Abatement	148,850	80,150	229,000
State Administrator Fee	12,361	6,656	19,017
Contingency	<u>214,037</u>	<u>115,250</u>	<u>329,287</u>
Subtotal	\$2,332,649	\$1,330,688	\$3,663,337
Total	\$2,484,573	\$1,582,492	\$4,067,065

Comments:

1. The Public Library advises that it intends to also solicit private donations totalling \$191,525 in order to purchase data processing equipment for the Chinatown Branch Library.
2. The Public Library reports that it is projected that construction on the Chinatown Branch Library would commence February of 1993. The Library anticipates issuing an Invitation for Bids on November 15, 1992 to acquire the necessary construction contractor.
3. Indirect costs are not included in this project budget because, according to the Public Library, the State does not allow indirect costs to be included in this grant.

4. At the time the Board of Supervisors authorized the Public Library to apply for, accept and expend the California Library Construction and Renovation Bond Act grant, the grant funds earmarked for the construction contract were not placed on reserve pending the Library's submission of information regarding MBE/WBE contract participation. However, the 1988 Library Improvement Bonds funds earmarked for this project have been placed on reserve. Therefore, the Budget Analyst recommends that the Public Library report to the Finance Committee on the contract details, including the MBE/WBE status of the contracts, when the Library submits the request for the release of the bond funds regarding the restoration of the Chinatown Branch Library.

Recommendation: Approve the proposed resolution.

Memo to Finance Committee

July 29, 1992

Item 2 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of July 22, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

Item 3 - File 25-92-22

Note: This item was continued from the July 15, 1992 Finance Committee Meeting.

Department: Police Department

Item: Resolution concurring with the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Janitorial Services for all nine District Police stations, the Police Academy, the Pistol Range, the Juvenile Division, and the Golden Gate stables.

Description: The Controller has determined that contracting for these janitorial services in fiscal year 1992-93 would result in estimated savings as follows:

<u>DPW Operated Costs</u>	\$740,230
<u>Contracted Service Cost</u>	<u>277,797</u>
<u>Estimated Savings for Contracted Service Cost</u>	462,433

Comments: 1. The above estimates are based on Controller revisions to the original Controller certified cost estimates which were previously reported to the Finance Committee. The DPW Operated Cost estimate reflects amounts submitted by the Department of Public Works (DPW) to the Controller and certified by the Controller rather than numbers derived by the Controller, as was previously done. The Contracted Service Cost estimate is based on the actual lowest price bid received from the three janitorial contract bidders on July 27, 1992 instead of an initial estimated contractual cost based on a walkthrough of Police facilities from two janitorial contractors in January, 1992.

2. DPW currently provides janitorial services to the Police Department. FY 1992-93 would be the first year that the Police Department would fully contract for these janitorial services.

3. According to Officer Tom Strong, of the Police Department's Accounting Office, the Police Department paid

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\$33,796 to the Department of Public Works to provide janitorial services during the period of July 1, 1992 to July 31, 1992. This money was paid with money from the Police Department's FY 1992-93 Building and Repair budget. This was done to prevent a lapse in service as the Police Department was still in the process of selecting a private contractor. Mr. Strong advises that a total of \$280,000 has been budgeted for contracted janitorial services in the FY 1992-93 budget. The \$33,796 used to provide janitorial services in July will be deducted from the \$280,000 and returned to the Building and Repair account. The remaining \$246,204 will be used to pay any additional costs to the Department of Public Works pending the selection of a contractor, and then for the contracted janitorial services.

4. Mr. Steve Lutz, Senior Analyst of the Police Department's Planning Division, reports that the scope of janitorial services provided to the Police Department would eliminate the Hibernia Bank Building facility and add the Pistol Range. In addition, Mr. Lutz stated that the Police Department has not been satisfied with the level of service currently provided by DPW. As a result, Mr. Arnie Sowell of the Controller's Office reports that the 1992-93 proposed in-house versus contracted services represent a higher level of janitorial services than what has been historically provided. Mr. Raymond Zahndt of the Department of Public Works estimates that to provide the level of service the Police Department is now requesting, the Department of Public Works would have to expand their current staff level from 6 FTE to 13 FTE. This increased level of service is reflected above in the DPW Operated Cost estimate and Contracted Service Cost estimate provided by the Controller's Office.

5. The Finance Committee requested that the Controller estimate the costs of the Police Department providing these services directly by employing janitors. The Controller has determined that Police Department In-house Janitorial Services as compared with DPW Janitorial Services and contractual janitorial services are as follows:

<u>DPW Operated Costs</u>	\$740,230
<u>Police Department In-House Janitorial Services</u>	<u>625,934</u>
<u>Estimated Savings for Police vs DPW Janitorial Services</u>	<u>\$114,296</u>

Police Department In-House

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<u>Janitorial Services</u>	\$625,934
<u>Contracted Service Cost</u>	<u>277,797</u>
Estimated Savings for Contracted Service Cost vs. Police In-House	\$348,137

Therefore, as noted above, it would be approximately \$114,296 less expensive for the Police Department to directly provide its own janitorial services in 1992-93 rather than through DPW, primarily due to the reduction of DPW overhead expenses. However, as also noted above, it would be approximately \$348,137 less expensive for the Police Department to contract out for janitorial services than to hire in-house janitors in the Police Department. As previously discussed, changing from the current DPW janitorial services to contractual janitorial services would result in an estimated 1992-93 annualized savings of approximately \$462,433.

6. The Police Department reports that two of the three contractors , including the lowest contract bidder are MBEs or WBEs.

7. Mr. Carl Bunch of the Mayor's Office, Employee Relations Division, advises that the City of San Francisco does not have a duty to meet and confer with the Union regarding the contracting out of services before a decision is made unless layoffs will occur as a result of the decision. However, following a decision to contract out, the City does have an obligation to meet and confer with the Union regarding the impact of the decision on bargaining unit employees. The Service Employees International Union's (SEIU), Memorandum of Understanding (MOU) also states that upon request by the Union and prior to the City making any final decision, the City will hold informational meetings with the Union to discuss and attempt to resolve issues relating to the contracting out of services.

8. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status is attached.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) Questionnaire

Department San Francisco Police DepartmentContract Services Janitorial Service

Time Period _____

- 1) Who performed services prior to contracting out?

Department of Public Works Janitorial.

- 2) Number of City employees laid off as a result of contracting out?

None, these employees should easily be absorbed into DPW operations.

- 3) Explain disposition of employees if they were laid off.
-
- Trained janitorial employee would be able to find employment in federal, state and private sectors.

- 4) What percent of City employee's time is spent on services to be contracted out?

100%

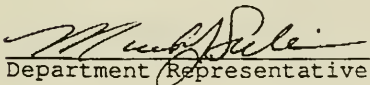
- 5) How long have services been contracted out?

These services have been performed by the Department of Public Works; they have never been contracted out.

- 6) What was the first fiscal year for a Proposition J Certification?

It is anticipated to commence by 1992-1993.

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

The competitive bid process will insure compliance.
Present contractor at the Hibernia Bank Police Building is MBE/LBE.

Department Representative

MICHAEL J. SULLIVAN
SERGEANT OF POLICE

(Type Name, Title)

Telephone 557-6720

cxlquespj

Items 4, 5, 6, 7, and 8 -Files. 97-92-42, 97-92-43, 97-92-43.1, 97-92-44, and 97-92-44.1

Items:

Ordinance amending Section 10.117-73 of the Administrative Code to require that the Emergency Medical Services Fund be continued using certain penalty revenues pursuant to Government Code Sections 76000 and 76104, to require that the moneys in such fund be payable only for the purposes specified in Government Code Section 76104, and to make changes pursuant to recent amendments to Health and Safety Code Sections 1797.98a through 1797.98g (File 97-92-42).

Ordinance amending Section 10.117-108 of the Administrative Code to establish the Automated Fingerprint Identification Fund, to require that the moneys in such fund be payable only for the purposes set forth in Government Code Section 76102, and to renumber Charter Section 6.311 to 6.306 (File 97-92-43).

Resolution providing for the disbursement of certain additional penalties assessed in criminal cases pursuant to Government Code 76000, establishing a Courthouse Construction Fund pursuant to Government Code Section 76100, establishing an Automated Fingerprint Identification Fund pursuant to Government Code Section 76102, continuing an Emergency Medical Services Fund pursuant to Government Code Section 76104, and imposing an additional penalty on all parking offenses to support the Courthouse Construction Fund pursuant to Government Code Section 76000 (File 97-92-43.1).

Ordinance amending Section 10.117-35 of the Administrative Code to rename the "Courthouse Temporary Construction Fund" the "Courthouse Construction Fund," to require that surcharges on filing fees in the Municipal and Superior Courts and penalty assessments provided in Government Code Section 76000 be deposited in such fund, and to require that the moneys deposited in such fund be used only for the purposes set forth in Government Code Sections 76000, 76100, and 76238 (File 97-92-44).

Resolution renaming the Courthouse Construction Fund and continuing the surcharge on filing fees in civil and probate actions in the Superior Court and in civil actions in the Municipal Court as provided in Government Code Section 76238 and Section 10.117-35 of the San Francisco Administrative Code, to assist in the acquisition, rehabilitation, construction, and financing of courtrooms or of a courtroom building or buildings containing facilities

necessary or incidental to the operation of the judicial system in the City and County of San Francisco (File 97-92-44.1).

Description:

In August, 1991 the State Legislature adopted the Trial Court Realignment and Efficiency Act ("the Act") which made a number of revisions to California law regarding the operation of California trial courts. The Act provides that certain fines and penalties levied by Municipal and Superior Courts must be deposited into one or more special funds, as specified in the California Government Code.

County Penalty Assessment in Criminal Matters

The Act requires that Counties impose a "County penalty assessment" of \$7.00 for every \$10.00 fine, penalty, or forfeiture imposed in criminal matters, including violations of the Vehicle Code, but excluding parking offenses.

The Board of Supervisors must, by resolution, establish one or more of the five special funds authorized by the Legislature, and must also specify the amount of County penalty assessment revenues to be allocated to each fund. The \$7.00 County penalty assessment has been imposed in San Francisco since September 11, 1991 (See Comment No. 3).

The proposed resolution (File 97-92-43.1) would establish three special funds and direct the Municipal and Superior Courts to continue to assess the \$7.00 additional penalty for each \$10 penalty imposed in criminal matters. For each \$7.00 collected, the proposed resolution would direct the County Treasurer to deposit \$1.00 to the Courthouse Construction Fund, \$2.00 to the Emergency Medical Services Fund, and \$4.00 to the Automated Fingerprint Identification Fund.

The two special funds which could be established under the Act but which would not be established under the proposed resolution are a Criminal Justice Facilities Construction Fund and a Forensics Laboratory Fund.

Pursuant to the proposed resolution (File 97-92-43.1), two proposed ordinances would amend provisions of the Administrative Code concerning the existing Automated Fingerprint Identification Fund (File 97-92-43) and the existing Emergency Medical Services Fund (File 97-92-42) to make them consistent with current California law.

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Parking Fine Increase (\$2.50)

The Act also authorizes the Board of Supervisors to impose an additional \$2.50 penalty for every parking offense where a fine is imposed, and to deposit the additional revenue in a Courthouse Construction Fund, provided that the Board of Supervisors adopts a resolution stating that the imposition of this additional penalty is necessary to the County for courthouse construction. Of each \$2.50 additional penalty for parking offenses, the County is required to transfer \$1.00 to the State Controller.

The proposed resolution (File 97-92-43.1) would therefore also state the necessary findings regarding courthouse construction, impose the additional \$2.50 penalty for parking offenses, and direct the Treasurer to deposit the additional \$2.50 penalty to the Courthouse Construction Fund and to remit \$1.00 of each \$2.50 collected to the State Controller.

The Act also authorizes the Counties to impose another \$2.50 surcharge on parking fines for deposit to a Criminal Justice Facilities Construction Fund. However, this additional \$2.50 surcharge is not included in the proposed legislation (see Comment No. 8).

Filing Fee Surcharges in Municipal and Superior Courts

In addition, Section 76238 of the Act provides that the City and County of San Francisco may impose a surcharge of not more than \$50 on filing fees in civil and probate matters in the Superior Court, and not more than \$50 in civil proceedings in the Municipal Court, for the San Francisco Courthouse Construction Fund. The amount of the surcharge must be established by the Board of Supervisors.

Section 76238 replaced former Government Code Section 76381.5, under which San Francisco had already established the Courthouse Temporary Construction Fund. A surcharge of \$50 is currently added to filing fees in Superior Court and a surcharge of \$10 is currently added to filing fees in Municipal Court.

The proposed resolution (File 97-92-44.1) would therefore rename the "Courthouse Temporary Construction Fund" as

the "Courthouse Construction Fund" and would direct the Municipal and Superior Courts to continue to collect the \$10 and \$50 surcharges on filing fees, respectively, for deposit to the Courthouse Construction Fund.

Pursuant to both proposed resolutions (Files 97-92-43.1 and 97-92-44.1) affecting the Courthouse Construction Fund, a proposed ordinance (File 97-92-44) would amend the Administrative Code to rename the "Courthouse Temporary Construction Fund" as the "Courthouse Construction Fund," and to require that revenues derived from the \$7.00 County penalty assessment in criminal cases (of which \$1.00 is proposed for the Courthouse Construction Fund), the \$2.50 additional penalty in parking cases (of which \$1.50 would go to the Courthouse Construction Fund), and the Municipal and Superior Court filing fee surcharges (\$10 and \$50, respectively) be deposited to the newly named Courthouse Construction Fund.

Comments:

1. As noted above, the fees affected by the proposed resolutions and ordinances are a \$7.00 additional penalty for criminal offenses, a \$2.50 additional penalty for parking offenses, a \$10 surcharge on filing fees for civil proceedings in Municipal Court, and a \$50 surcharge on filing fees for civil and probate proceedings in Superior Court. Of these fees, the only new fee would be the \$2.50 additional penalty for parking offenses, which was approved by the Municipal Court in June, 1992. However, the \$7.00 County penalty assessment which took effect in September, 1991 is a new source of revenue to the Courthouse Construction Fund and the Automated Fingerprint Identification Fund.

Each of the three special funds which would receive the designated revenues have already been established in some form. The table on the following page illustrates the current sources of revenue for these funds and the proposed allocations, as described above.

**Current and Proposed Revenue Allocations Under the
Trial Court Realignment and Efficiency Act**

<u>Fund</u>	<u>Current Source of Revenues</u>	<u>Proposed Source of Revenues</u>
Courthouse (Temporary) Construction Fund	\$10 Municipal Ct. fee \$50 Superior Ct. fee	\$10 Municipal Ct. fee \$50 Superior Ct. fee \$2.50 parking fine surcharge, less \$1.00 to State Controller \$1.00 of the \$7.00 additional penalty in criminal cases
Emergency Medical Services Fund	\$2.00 of the \$7.00 additional penalty in criminal cases* Traffic Fines	\$2.00 of the \$7.00 additional penalty in criminal cases Traffic Fines
Automated Fingerprint I.D. Fund	None	\$4.00 of the \$7.00 additional penalty in criminal cases

* See Comment No. 3 regarding the current allocation of the \$5 remainder of the \$7.00 County penalty assessment in criminal cases.

2. According to Mr. Gordon Park-Li of the Municipal Court, the \$2.50 surcharge was included in the bail increases for parking offenses which were approved by the Municipal Court in June, 1992.

3. Mr. Park-Li indicates that prior to enactment of the Trial Court Realignment and Efficiency Act in August 1991, an additional penalty of \$9.00 was assessed for each \$10 fine in criminal cases. Of this \$9.00, \$7.00 was remitted to the State Controller, and \$2.00 was allocated to the County's Emergency Medical Services Fund.

Following enactment of the Act in August 1991, the mandated County penalty assessment of \$7.00 was imposed instead of the \$9.00 additional penalty in criminal matters. However, Mr. Park-Li indicates that, except for the Emergency Medical Services Fund, San Francisco County has not yet established any of the special funds required under the Act, nor has the Board of Supervisors adopted a resolution (see File 97-92-43.1) indicating how the \$7.00 County penalty assessment is to be allocated. Mr. Park-Li reports that State guidelines for implementing the Act were not issued until October, 1991, and that implementation in San Francisco was also delayed by the Mayoral election.

According to the Controller's Office and the Municipal Court, approximately \$232,000, representing \$2.00 of each \$7.00 County penalty assessment imposed between September 11, 1991 and May 31, 1992, has been appropriated to the Emergency Medical Services Fund. The remainder of the revenues collected to date (totalling \$701,914 on May 31, 1992) is held in the State Authorized Special Revenue Fund, awaiting approval of the allocation formula by the Board of Supervisors.

4. The Automated Fingerprint Identification Fund was established in San Francisco in March, 1991, when the Board of Supervisors authorized an additional penalty of \$.50 for each \$10 penalty in criminal matters. Mr. Park-Li states that the \$.50 additional penalty was never imposed because of delays in establishing the Fund and assessing the penalty, and the subsequent enactment of the Trial Court Realignment and Efficiency Act in August, 1991. Therefore, no revenues have been allocated to the Automated Fingerprint Identification Fund, according to Mr. Park-Li. Under the proposed resolution (File 97-92-43.1), revenues to this Fund would come from \$4.00 of the \$7.00 additional penalty (for each \$10 collected) in criminal cases.

An Automated Fingerprint Identification Fund is required to be used to obtain and operate automated fingerprint identification equipment, to replace existing equipment, and/or to reimburse the City and County for previous expenditures for such equipment.

Mr. Tom Strong of the Police Department (SFPD) states that the SFPD employs 29 technicians to operate its automated fingerprint equipment. Mr. Strong indicates that these personnel costs are budgeted in the Automated Fingerprint Identification Fund for 1992-93, at a total

estimated cost of \$1,430,555, and that maintenance and equipment costs are also included in the 1992-93 budget for the Fund, in the amount of \$315,262.

The SFPD's 1992-93 budgeted expenditures from the Automated Fingerprint Identification Fund therefore total approximately \$1,746,000. The proposed budget for 1992-93 includes \$700,000 in estimated trial court revenues to this Fund, as well as a revenue transfer from the General Fund of approximately \$1,046,000. Therefore, General Fund contributions could be reduced by increasing County penalty assessment allocations to the Automated Fingerprint Identification Fund. Allocation of such County penalty assessment revenues is a policy matter for the Board of Supervisors.

Mr. Strong indicates that in 1991-92, the costs of the automated fingerprint identification system were paid from the Narcotics Forfeiture Fund, which provides a source of revenue for SFPD special projects. The Mayor's proposed budget for 1992-93 includes approximately \$1.47 million in the Narcotics Forfeiture Fund.

The Administrative Code provides that expenditures from the Automated Fingerprint Identification Fund are subject to appropriation by the Board of Supervisors.

5. As noted above, the Emergency Medical Services Fund currently receives \$2.00 from the \$7.00 County penalty assessment which took effect in September 1991. Under the proposed resolution (File 97-92-43.1) this Fund would continue to receive \$2.00 of the \$7.00 County penalty assessment.

The Trial Court Realignment and Efficiency Act requires that the amounts allocated to this Fund equal but not exceed the amount deposited in fiscal year 1990-91 (except for a percentage increase equal to the increase in criminal fines and penalties over fiscal year 1990-91, but not more than 10 percent).

However, the 1992-93 budgeted amount for the Fund of \$437,705 is \$44,777 less than the 1990-91 allocation of \$482,482, as reported by the Department of Public Health (DPH). The budgeted amount includes \$200,000 in County penalty assessment revenues as well as \$237,705 from Traffic Fines.

The Budget Analyst estimates that the level of County penalty assessment revenues which can be expected for this Fund, based on actual 1991-92 revenues reported by the Controller, is higher than the budgeted amount by \$126,177. Therefore, allocations to the Fund in 1992-93 should actually exceed the 1990-91 level by approximately \$81,400 (\$126,177 less \$44,777).

Mr. John Madden of the Controller's Office states that adjustments will be made in allocations to the designated Funds, including the Emergency Medical Services Fund, at the end of fiscal year 1992-93, to conform actual appropriations to the requirements of the Act.

The Emergency Medical Services Fund is used to reimburse physicians, hospitals, and other providers of emergency medical care for the cost of emergency medical care. Up to 10 percent of this Fund may be used to reimburse administrative expenses; 58 percent of the remaining balance in the Fund must be disbursed to compensate private physicians for the cost of unreimbursed emergency care; 25 percent of the balance of the Fund must be disbursed to hospitals which provide disproportionate trauma and emergency services; and 17 percent of the balance of the Fund must be disbursed for other emergency medical services as determined by the Director of Public Health.

The Director of Public Health is responsible for receiving and approving claims for reimbursement. However, any payments to a single provider in excess of \$5,000 must be appropriated by the Board of Supervisors. Dr. Pointer states that the amount authorized for reimbursement of administrative expenses is appropriated to Medicus, which administers the funds under contract with DPH.

6. The Courthouse Temporary Construction Fund currently receives revenues from a \$10 surcharge on filing fees in Municipal Court and a \$50 surcharge on filing fees in Superior Court. The proposed ordinances and resolutions would rename the fund as the Courthouse Construction Fund and would create additional revenues through the \$2.50 surcharge on parking fines imposed by the Municipal Court and \$1.00 of the \$7.00 additional penalty in criminal cases.

As previously noted, the Municipal Court is authorized to impose a surcharge of up to \$50 on filing fees in civil proceedings for the Courthouse Construction Fund.

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However, under the proposed resolution (File 97-92-44.1) the surcharge in Municipal Court would continue to be only \$10.

Although the proposed 1992-93 budget includes only \$204,200 for the Courthouse Temporary Construction Fund from Municipal and Superior Court filing fee surcharges, Ms. Kate Harrison of the Superior Court estimates that these fees will generate approximately \$2.28 million, including interest earnings, in 1992-93.

Under California law, a Courthouse Construction Fund is required to be used for the acquisition, rehabilitation, construction, and financing of courtrooms, courtroom buildings, or buildings containing facilities necessary or incidental to the operation of the justice system. The Administrative Code provides that expenditures from the Fund are to be determined by a committee comprised of Court officers, with expenditures subject to appropriation by the Board of Supervisors.

7. Based on revenue estimates provided by the Controller's Office and the Courts, the amounts collected in 1991-92 for each of these funds and the amounts expected to be collected under the proposed resolutions and ordinances are as follows:

<u>Fund</u>	<u>Revenues Collected</u>	
	<u>Actual</u> <u>1991-92</u>	<u>Estimated</u> <u>1992-93</u>
Courthouse (Temporary) Construction Fund		
\$50 Superior Ct. surcharge	\$1,603,620	\$1,603,620
\$10 Municipal Ct., surcharge	278,845	278,845
Annual Interest on filing fee surcharges	400,683	400,683
\$2.50 parking fine surcharge	0	2,250,000
\$1.00 of \$7.00 additional penalty*	<u>132,281</u>	<u>163,088</u>
Subtotal	\$2,415,429	\$4,696,236
Emergency Medical Services Fund		
\$2.00 of \$7.00 additional penalty*	264,561	326,177
Automated Fingerprint I.D. Fund		
\$4.00 of \$7.00 additional penalty*	<u>529,122</u>	<u>652,353</u>
Total Estimated Revenues	\$3,209,112	\$5,674,766

* Allocation of the County penalty assessment revenues is dependent upon the allocation formula adopted by the Board of Supervisors. However, appropriations were made in 1991-92 to the Emergency Medical Services Fund (see Comment No. 3).

The General Fund would not receive any portion of these revenues.

Ms. Harrison states that the balance in the Courthouse Temporary Construction Fund was approximately \$6.73 million on June 1, 1992. She indicates that the Fund is expected to be used to finance construction of a new County Courthouse.

8. The Budget Analyst notes that the Act also authorizes the Board of Supervisors to establish a Criminal Justice Facilities Construction Fund, with expenditures authorized for jail facilities and juvenile halls, as well as courtrooms. However, a Criminal Justice Facilities Construction Fund has not been included in the proposed legislation, even though it could be used to construct a wider variety of facilities than the Courthouse Construction Fund.

The reason for this is that a Courthouse Construction Fund must be established to obtain approximately \$2.3 million which is available through surcharges on filing fees in Municipal and Superior Courts, which must be used exclusively for courthouse construction. According to the City Attorney, if the Courthouse Construction Fund is established under the Act, a \$2.50 surcharge on parking fines must also be collected for the Fund. If a Criminal Justice Facilities Construction Fund were also established, a further parking surcharge of \$2.50 would be required, for a total surcharge of \$5.00, of which \$2.00 would be remitted to the State Controller.

Mr. Park-Li states that representatives of the Courts and the Mayor's Office have agreed that to impose both parking surcharges would result in unreasonable increases in parking fines, and could limit the City's ability to raise parking fines in the future, which would benefit the General Fund. Therefore, a Criminal Justices Facilities Construction Fund was not proposed. If it were established instead of the Courthouse Construction Fund, filing fee surcharges for courthouse construction of approximately \$2.3 million would be foregone. If it were established in addition to the Courthouse Construction Fund, parking surcharges would increase by \$5.00, rather than \$2.50, of which \$2.00, or 40 percent, would be transferred to the State Controller.

Recommendations: 1. The proposed resolution (File 97-92-43.1) contains the following provisions which are policy matters for the Board of Supervisors:

(a) Establishing the Emergency Medical Services Fund, the Automated Fingerprint Identification Fund, and the Courthouse Construction Fund pursuant to Government Code Section 76000, for receipt of County penalty assessments of \$7.00 for each \$10 collected in criminal cases; and, by omission, not establishing a Criminal Justice Facilities Construction Fund nor a Forensic Laboratory Fund for receipt of such County penalty assessment revenues.

(b) Specifying that each \$7.00 County penalty assessment will be allocated as follows: \$1.00 to the Courthouse Construction Fund, \$2.00 to the Emergency Medical Services Fund, and \$4.00 to the Automated Fingerprint Identification Fund.

(c) Imposing an additional penalty of \$2.50 for each parking offense where a penalty is imposed, for allocation to the Courthouse Construction Fund, as required if the Fund is established.

2. Since the proposed ordinances concerning the existing Emergency Medical Services Fund (File 97-92-42) and the Automated Fingerprint Identification Fund (File 97-92-43) would conform the San Francisco Administrative Code to the current requirements of California law, the Budget Analyst recommends approval of these proposed ordinances.

3. Since California law authorizes but does not require the San Francisco Board of Supervisors to impose surcharges on filing fees in the Municipal and Superior Courts for the Courthouse Construction Fund, and to fix the amount of the surcharges, approval of the proposed resolution (File 97-92-44.1), which would continue the existing surcharges, is a policy matter for the Board of Supervisors.

4. Since the proposed ordinance concerning the Courthouse Construction Fund (File 97-92-44) would conform the San Francisco Administrative Code to the current requirements of California law, the Budget Analyst recommends approval of the proposed ordinance.

Item 9 - File 27-92-5

Department: Airports Commission

Item: Ordinance approving Modification No. 1 of a lease agreement between City College of San Francisco (CCSF) and the City and County of San Francisco, acting by and through its Airports Commission.

Description: Under Lease and Use Agreement No. 77-0202, signed on July 19, 1977, the San Francisco Community College District leases Plot 20 on the Northeast corner of the San Francisco International Airport from the City and County of San Francisco for their School of Aviation. The proposed ordinance would approve Modification No. 1 of the Lease and Use Agreement to delete 3,500 square feet of space from Plot 20. This space would be used by the Airport and the Federal Aviation Administration (FAA) for the enhancement of air traffic control. The FAA would install a Localized Directional Approach (LDA) aircraft navigational aid on the 3,500 square feet to increase landing capacity during bad weather. In addition, the City would be required to supply an electrical power line to the site at a cost not to exceed \$30,000.

Comments: 1. San Francisco Community College's Lease and Use Agreement Modification No. 1 was approved by Airports Commission Resolution No. 92-0189 on June 16, 1992.

2. As adopted in Resolution 92-0189, United Air Lines would supply funding for establishing the electrical power line to the site, with the understanding that the Airport would reimburse United Air Lines by a rental credit equal to the actual receipted cost but not to exceed \$30,000 for the establishment of the electrical power line.

3. The proposed ordinance would decrease San Francisco City College's exclusive space from 149,470 square feet to 145,970 square feet, a reduction of 3,500 square feet as a result of the proposed Modification No. 1. Ms. Angela Gittens of the Airports Commission indicates that the Community College District is in agreement with this reduction.

4. Ms. Angela Gittens of the Airports Commission advises that the City would not forego any revenue because the Community College District of San Francisco pays only \$1 per year for the lease of Plot 20.

Recommendation: Approve the proposed ordinance.

Item 10 - File 47-92-5

1. The proposed ordinance would approve and adopt legal documents and authorization for a management agreement pertaining to the Polk-Bush Parking Garage.

2. The Polk-Bush Garage is a new City-owned parking facility located at the southeast corner of Bush and Polk Streets. The Parking Authority reports that the garage is scheduled to be completed by mid-November of 1992. The new garage will include an annex which would be located on Bush Street. The proposed annex is currently a metered parking facility which the City leases from the San Francisco Unified School District. The Polk-Bush Garage has 132 parking spaces and is projected to serve approximately 12,500 vehicles per month. The annex will be converted from the existing 38-space metered parking facility to a 30-space monthly parking facility.

Mr. Kevin Hagerty, Director of the Parking Authority reports that the Department will submit a request to the Board of Supervisors, prior to October of 1992, to amend the Traffic Code to delete the annex portion of the parking facility from the category of a metered facility.

3. Under the proposed legal documents, the parking rates to be charged per vehicle parked in the new Polk-Bush Garage and annex are as follows:

Hourly Parking-Daytime Rates (Polk-Bush Garage Only)

<u>Time</u>	<u>Parking Charge</u>
0-1 hour	\$1.00
1-2 hours	2.00
2-3 hours	3.00
3-4 hours	4.00
4-5 hours	5.00
5-6 hours	6.00
6-7 hours	7.00
Over 7 hours	8.00

Hourly Parking-Nighttime Rates (Polk-Bush Garage Only)

6:00 p.m. to 12:00 a.m. - \$1.00 per hour
Maximum Rate - \$3.00

Monthly Parking (Annex Only)

\$80.00 per month (payable on a month-to-month basis only)

Lost Ticket Charge (Polk-Bush Garage Only)

The rate for over 7 hours of parking will be charged for each day, or part thereof, unless the garage manager can verify that a greater charge is appropriate by identifying the lost ticket from the records.

4. Under the proposed management agreement (after deduction of parking tax and payment of rent on annex property), the garage operator would receive a monthly management fee (based on the monthly cost to operate the garage) paid from the gross parking revenues and would receive five percent of the garage gross revenues exceeding \$300,000 per year. The balance of revenues would accrue to the City's Off-Street Parking Fund. The management agreement provides that the monthly management fee would be adjusted annually according to the Consumer Price Index.

Comments

1. Mr. Hagerty reports that the Parking Authority estimates that the Polk-Bush Garage and annex will initially generate gross annual revenues of approximately \$250,000 and \$25,000 respectively, for a total projected gross revenue amount of \$275,000 annually. The Parking Authority estimates that \$55,000 of the \$275,000 would be deducted for parking tax, based on a 20 percent parking tax, leaving a balance of \$220,000. Of the \$220,000, the Parking Authority estimates that \$12,000 would be paid to the Unified School District for rental of the annex property, \$180,000 to \$204,000 would be paid to the garage operator, and a balance of \$4,000 to \$28,000 would accrue to the City's Off-Street Parking Fund.

2. Mr. Hagerty advises that the metered parking facility which is to be converted into the annex is estimated to generate \$12,235 in revenues for 1991-92. According to Mr. Hagerty, the merchants in the immediate vicinity of the proposed annex, strongly support the conversion of the existing metered parking facility into a monthly parking facility because loitering, vandalism and other negative street activities are currently taking place at the existing facility.

3. The proposed legislation only approves the legal documents and management agreement as to form and authorizes the Director of Property to seek competitive bids for the management of the Polk-Bush Garage and annex. The actual award of a management agreement will be subject to subsequent legislation to be adopted by the Board of Supervisors.

4. The Budget Analyst recommends that the proposed legislation be continued to the Finance Committee meeting on August 5, 1992, in order to obtain from the Department specific information on why, under the proposed management agreement the garage operator would receive 82 to 93 percent of gross revenues (after deduction of parking tax) and how these percentages compare with what the garage operator's percentage of gross would be under an alternative lease agreement.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
July 29, 1992

Recommendation

Continue the proposed legislation to the Finance Committee meeting on August 5, 1992.

Item 11 - File 101-92-5

Department: Department of Public Works (DPW)

Item: Supplemental appropriation ordinance for a capital improvement project (Hall of Justice Parking Lot Expansion) to cover overage above ten percent of the contracted amount pursuant to provisions of Charter Section 7.203 and providing for ratification of action previously taken by the Department of Public Works for Fiscal Year 1992-93.

Amount: \$9,916

Source of Funds: 1990 Correctional Facilities Improvement Bond Fund (Proposition A)

Description: The DPW reports that the proposed supplemental appropriation in the amount of \$9,916 would be used to pay for contract modifications, which exceed ten percent of the original contract, for the Hall of Justice Parking Lot Expansion Project. Charter Section 7.203 requires authorization of the Board of Supervisors if the amount of a contract is increased by more than ten percent of the original contract amount.

Comments:

1. The Hall of Justice Parking Lot Expansion Project provided additional parking spaces in five (5) separate lots to serve the Hall of Justice. The new parking spaces replaced spaces removed from the existing Hall of Justice parking lot as a result of the construction of the new Sheriff's facility. Specific project work consisted of paving, striping, constructing islands, curbs, sidewalks, fencing, gates, wheel blocks, lighting, landscaping, attendant booths and detectors and installing traffic signs. The project was completed August 30, 1991.
2. The DPW advises that during construction on the parking lot project, it was determined that additional work, which was not included in the contract, was required in order to conform to design specifications and code requirements and to expedite the project to eliminate a potential delay claim from the contractor for the new Sheriff's facility project. Examples of contract modifications, which cost an additional \$109,702 included, (1) additional concrete and paving work required to meet design specifications, (2) an increase in parking lot capacity to satisfy code requirements and (3) the installation of safety loops (electronic motion detecting device which allows vehicles to pass safely through the parking facility gate) and modified sliding gates to eliminate unsafe conditions.

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3. The details of this request of \$9,916 for the Hall of Justice Parking Lot Expansion Project are as follows:

Original Contract Amount	\$645,958
Contract Modifications	109,702
Credit for unused construction materials (i.e., asphalt concrete)	<u>(35,190)</u>
Subtotal	<u>74,512</u>
Revised Contract Amount	\$720,470
Previously Appropriated Funds for Contractual Services	<u>710,554</u>
Excess of Revised Contract Amount Over Original Contract Amount	\$9,916

4. As reflected above, the revised contract amount includes contract modifications which result in a net increase of \$74,512 (\$109,702 minus \$35,190) or 11.5 percent greater than the original contract amount of \$645,958. The \$9,916 represents the difference between the original amount appropriated and the revised contract amount.

5. As noted above, the Hall of Justice Parking Lot Expansion Project was completed on August 30, 1991. Mr. Nelson Wong of the DPW reports that the Department is requesting the proposed supplemental appropriation at this time, primarily because the contractor only recently submitted the bill to close out the account for this project. As noted above, the proposed ordinance provides for ratification of action previously taken.

Recommendation: Approve the proposed ordinance.

Items 12 and 13 - File 170-92-9 and 170-92-9.1

Departments: Chief Administrative Officer (CAO)
Department of Public Works (DPW)
Clean Water Program (CWP)

Items: Resolution (File 170-92-9) amending and restating Resolution No. 542-88, adopted July 17, 1988, Resolution No. 677-88, adopted August 29, 1988 and Resolution No. 605-91, adopted July 15, 1991, providing for the issuance of not to exceed the \$385,000,000 aggregate principal amount of City and County of San Francisco Sewer Revenue Refunding Bonds, Series 1992, curing certain ambiguous provisions, adding to the covenants of the City, authorizing Sales Certificate (legal document relating to the official sale of the refunded bonds) and appointing escrow agents.

Resolution (File 170-92-9.1) authorizing and directing the sale of not to exceed \$385,000,000 principal amount of City and County of San Francisco Sewer Revenue Refunding Bonds, Series 1992, authorizing the publication of official notice of sale relating thereto; approving the form of the official statement; authorizing official actions; and appointing a fiscal agent.

Description: During the sewer service charge rate setting process in April, 1992, the Board of Supervisors requested that the Chief Administrative Officer (CAO) investigate the possible refunding of some portion of the Clean Water Program's debt, in order to refinance the previously issued debt at current lower interest rates. The proposed resolutions would authorize the Clean Water Program to refinance up to \$385 million of existing debt. This proposed refinancing is anticipated to reduce the significant rate increases projected for the Program over the next several fiscal years. The proposed resolutions (Files 170-92-9 and 170-92-9.1) would authorize the issuance of refunding bonds in an amount not to exceed \$385 million, and make the technical changes necessary to reduce future rate increases, through the establishment of a Rate Stabilization Fund (See Comment #2).

Charter Section 7.300(5) provides that revenue bonds which are issued as refunding bonds do not have to be approved by the voters, but rather authorized by the Board of Supervisors, provided that the sale of the refunding bonds results in a lower total schedule of principal and interest payments by the City.

A total of \$313.5 million in previously issued debt would be refunded under the proposed resolutions (Files 170-92-9 and 172-92-9.1). The bonds which would be refunded are as follows:

1978 Series A	\$ 23.2 million
1981 Series B	9.7 million
1984 Series C	1.8 million
Refunding Series 1986	136.0 million
Series 1988 A and B	<u>142.8 million</u>
Total	\$313.5 million

The estimated interest on this outstanding principal is approximately \$274 million. The current total outstanding debt service for principal and interest payments is approximately \$587.5 million. The CAO estimates that the proposed refinancing would result in a total outstanding debt for principal and interest of approximately \$567 million over the term of the bonds, which is \$20.5 million less than the existing outstanding principal and interest. The CAO estimates that after adjusting for restructuring of debt service payments, the present value savings of the proposed refunding would be at least \$3 million in current dollars. Therefore, the proposed refinancing of this debt service would result in a lower total scheduled principal and interest as required by Charter Section 7.300(5). The existing average interest rate on the existing debt is approximately 7.6 percent. The anticipated reduced interest rate on the proposed refunded bonds is 6 percent, or on average 1.6 percent less than the existing interest rate.

As noted above, the proposed resolutions (Files 170-92-9 and 170-92-9.1) would provide for the refinancing of an amount not to exceed \$385 million in bond funds. According to Ms. Laura Wagner-Lockwood of the CAO's Office, the refunded bonds issued would not be used to retire the existing \$313.5 million in principal all at once, but rather this existing debt would be retired with the refunded bonds over a 5 year period. Ms. Wagner-Lockwood indicates that the monies from the bonds issued would be placed into an interest earning escrow account and be used to make payments under the existing debt service schedule. Ms. Wagner-Lockwood adds that the Department is requesting the authorization to issue refunding bonds in an amount not to exceed \$385 million because of potentially lower interest earnings on the principal which is placed into the escrow account, in which case, additional bond funds would be needed in order to still meet escrow requirements, and also to establish a debt service reserve fund, if necessary, for payments on the bonds issued, which is required for all revenue bonds. As noted

above, however, the proposed refunding plan is anticipated to result in an overall present value savings in current dollars of at least \$3 million.

Comments:

1. The proposed resolution (File 170-92-9) would also provide for the establishment of a "Working Capital Fund." The City Attorney's Office is currently drafting the final language to establish this fund. The CAO reports that the "Working Capital Fund" would be used to account for the timing lags between the time when expenditures are made from the Clean Water Enterprise Fund and when revenue from monthly sewer bills is received from its customers. The CAO reports that the Working Capital Fund would help the Clean Water Program maintain a positive cash flow when water conservation rates are higher than anticipated, and revenues are below the budgeted amounts. As noted on Attachment 1, the CAO proposes to request that \$7 million be appropriated into the Working Capital Fund during FY 1992-93, to be provided through the budgetary savings which are anticipated to be achieved through the proposed refinancing plan. The revenues which would be appropriated to this Fund would be subject to annual budgetary appropriations by the Board of Supervisors.

2. The proposed resolution (File 170-92-9) would also provide for the establishment of a "Rate Stabilization Fund." The City Attorney's Office is also currently drafting the final language to establish the Rate Stabilization Fund. The CAO reports that the Rate Stabilization Fund would be used to keep anticipated rate increases in FY 1993-94, FY 1994-95 and FY 1995-96 to 10 percent per year. The budgetary savings which would be achieved through the proposed refinancing plan would be placed into a Rate Stabilization Fund, and these revenues would offset the revenues received through sewer service charges by lowering the originally projected rate increases in sewer service charges. The amount of revenues appropriated to the Rate Stabilization Fund would be subject to annual budgetary appropriations by the Board of Supervisors. Attachment I shows the amounts which are anticipated to be allocated to the Rate Stabilization Fund and the Working Capital Fund over the next five fiscal years, including a comparison of the proposed monthly sewer service charge rates with and without the establishment of a Working Capital Fund. In addition to the previously noted savings of approximately \$20.5 million which would be achieved over the term of the bonds, according to Mr. Robert Hesse of the Department of Public Works (DPW), an additional one-time budgetary savings of approximately \$19 million would be realized during FY 1992-93 which would result from provisions of the proposed refunded "junior lien"

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bonds which no longer require budgeting of debt service payments one year in advance. The CAO proposes to request that \$19 million be appropriated into the Rate Stabilization Fund by the end of FY 1992-93 to be financed through the savings which are anticipated to be available through the proposed refinancing plan.

3. As noted on Attachment I, without the proposed refunding plan, the projected annual average monthly sewer service charge rates for FY 1993-94 are anticipated to increase to \$12.74 from \$10.53 monthly, or approximately a 21 percent increase, versus an increase to \$11.58 from \$10.53 monthly or approximately a 10 percent increase after the proposed refunding plan, including the establishment of a Working Capital Fund and a Rate Stabilization Fund. The average monthly sewer service charge rate for FY 1993-94 is projected to increase to \$11.48 from \$10.53 or approximately a nine percent increase without the establishment of a Working Capital Fund, and thereby placing all of the surplus revenues into a Rate Stabilization Fund only, which would further lower sewer service charges. These projected sewer service charge rates, however, would be subject to Board of Supervisors approval during the annual rate setting procedure.

4. As noted above, the proposed Working Capital Fund would account for the timing lags between the time when expenditures are made from the Clean Water Enterprise Fund and when cash is received from its customers, and therefore provide for a positive cash flow. Although the CWP did report negative cash balances for six months during fiscal year 1991-92, these negative cash flows will be offset during FY 1992-93 through the 19 percent rate increase in sewer service charge rates for fiscal year 1992-93 (assuming water conservation does not increase to higher levels), and through the anticipated decreased expenditures as a result of lower debt service requirements. As noted on Attachment I, the projected average monthly sewer service charge rates would increase to \$11.48 or approximately a nine percent increase without the establishment of a Working Capital Fund, versus an increase to \$11.58 or approximately a 10 percent increase with the establishment of a Working Capital Fund.

5. As noted, the City Attorney is currently drafting the final language to create the establishment of a Working Capital Fund. The Budget Analyst has been advised by the CAO's Office that the language would include a clause which would require a minimum balance of \$2 million for any unanticipated negative cash flows or emergency

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expenditures which are required. The Budget Analyst has not yet fully reviewed the final language of the proposed resolution which would establish this Fund.

6. The Budget Analyst recommends approval of the proposed refinancing plan in concept in order to reduce interest payments on outstanding debt and also and thereby reduce future customer rate increases through the establishment of a Rate Stabilization Fund. However, the Budget Analyst believes that because the proposed resolutions would provide for the establishment of a Working Capital Fund within the Clean Water Enterprise Fund, which would have an effect on subsequent sewer service charge rates, the establishment of this new fund is a separate policy matter for the Board of Supervisors. Furthermore, the CAO's Office has indicated that there will be language within the proposed resolution (File 170-92-9) which would require a minimum balance within the Working Capital Fund which would preclude the Board of Supervisors from providing these monies for other purposes, such as directing these monies to the Rate Stabilization Fund to further reduce sewer service charge rates. Therefore, the Budget Analyst recommends that the proposed resolution (File 170-92-9) be amended to delete the clause which would require a minimum balance of \$2 million in the Working Capital Fund. All of the revenues which would be appropriated to this Fund should be subject to annual appropriation decisions by the Board of Supervisors.

Recommendation: Approve the proposed resolutions (Files 170-92-9 and 170-92-9.1). However, the establishment of a new fund, a Working Capital Fund, which would have an effect on subsequent sewer service charge rates, is a separate policy matter for the Board of Supervisors. If the Board of Supervisors approves the establishment of a Working Capital Fund, amend the proposed resolution (File 170-92-9) to delete the clause which would require a minimum balance of \$2 million.

Comparison of Average Monthly Sewer Service Charge Rates

	Total Revenues*	Total Expenditures*	Rate Stabilization*	Working Capital Fund*	Average Monthly Charge	Percent Increase
Board Approved Plan in May, 1992						
FY 92-93	\$132.90	\$128.60	\$0.0	\$0.0	\$10.53	19.0%
FY 93-94	\$150.80	\$145.00	\$0.0	\$0.0	\$12.74	21.0%
FY 94-95	\$167.20	\$161.20	\$0.0	\$0.0	\$14.74	15.8%
FY 95-96	\$175.80	\$168.40	\$0.0	\$0.0	\$16.10	9.2%
FY 96-97	\$181.50	\$173.20	\$0.0	\$0.0	\$16.66	3.5%
After Refunding With Working Capital Fund						
FY 92-93	\$137.70	\$111.70	\$19.00	\$7.00	\$10.53	19.0%
FY 93-94	\$147.70	\$137.50	\$10.20	\$7.00	\$11.58	10.0%
FY 94-95	\$150.80	\$148.70	\$2.00	\$7.00	\$12.74	10.0%
FY 95-96	\$153.00	\$152.40	\$0.60	\$7.00	\$14.01	10.0%
FY 96-97	\$161.70	\$161.70	\$0.0	\$7.00	\$15.08	7.6%
After Refunding Without Working Capital Fund						
FY 92-93	\$137.70	\$111.70	\$26.00	\$0.0	\$10.53	19.0%
FY 93-94	\$154.10	\$137.50	\$16.60	\$0.0	\$11.48	9.0%
FY 94-95	\$155.20	\$148.70	\$6.50	\$0.0	\$12.51	9.0%
FY 95-96	\$154.30	\$152.40	\$1.80	\$0.0	\$13.64	9.0%
FY 96-97	\$161.70	\$161.70	\$0.0	\$0.0	\$14.89	9.2%

* In millions.

Revenue estimates for "After Refunding" scenario revised using 1991-92 actuals.

Working Capital Fund allocation assumes \$7.00 million would be carryforward funds beginning in FY 93-94.

Item 14 - File 186-92-2

Department: Chief Administrative Officer (CAO)

Item: Resolution authorizing Chief Administrative Officer to negotiate for development of a new City office building and to accept and expend donation of funds to offset City costs incurred through negotiations.

Description: The City owns three parcels on McAllister Street across from City Hall including the parking lot at the northwest corner of Polk and McAllister Streets, the adjoining property at 450 McAllister Street (City Hall Annex) and the property at 460 McAllister Street. The City is considering building a new City office building that spans the three parcels and the two story Society of California Pioneers building at 456 McAllister Street (see map in Attachment I) to house various City departments and offices that are currently located in several privately owned buildings in the Civic Center area.

The City is also considering building a second City office building between Redwood Street and Golden Gate Avenue on land that is privately owned. The second office building site is currently occupied by other buildings including the Stars Restaurant. By developing these new office buildings, the City could consolidate City departments and offices in the City-owned buildings resulting in the elimination of rent currently paid for privately-owned Civic Center office space.

The Real Estate Department states that the amount of savings depends on which City departments and offices would occupy the new buildings and that a current estimate of savings has not been made. In previous reports to the Board of Supervisors on this subject, the Real Estate Department has estimated rental savings of approximately \$2.3 million for the single building to be developed on McAllister Street.

The City has purchased options for calendar years 1991 and 1992 at \$28,800 each year that froze the purchase price for the actual air rights over the two story Society of California Pioneers building at 456 McAllister Street at a fixed price of \$360,000 plus \$5,000 for escrow fees. The air rights would be necessary in order to construct the new six story office building on the three City-owned parcels and over the two story Society of California Pioneers building.

The proposed resolution would authorize the Chief Administrative Officer (CAO) to enter into exclusive negotiations with the firm, 450 McAllister Street Associates,

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for the purpose of determining the extent to which a public-private venture can develop the new City office building on terms more advantageous to the City than those the City could achieve if the City were to develop the new office building solely on its own.

The firm of 450 McAllister Street Associates was selected through a Request For Proposal (RFP) process. Six proposals were received from private developers by the March 13, 1992, deadline and the CAO's selection committee selected Hines Corporation based on assessment of points for qualifications required by the RFP. However, the 450 McAllister Street Associates firm was ranked highest by the Human Rights Commission after additional points were added for Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) participation. Based on a maximum of 100 points for qualification, Hines received a raw score of 85.56 points and 450 McAllister received a raw score of 83.56 points. However, based on the reasons contained in a letter from the Human Rights Commission (Attachment 2), 450 McAllister Streets was ranked highest by the Human Rights Commission resulting in 87.74 points or 2.18 more points than the Hines Corporation. Regarding the final selection of 450 McAllister Street Associates over the Hines Corporation, Mr. Rudy Nothenberg, Chief Administrative Officer, states, "I committed to the proposers and the (selection) committee that my selection would be based on the scores resulting from the selection process as modified by the Human Rights Commission. When the final scores were presented to me by the Human Rights Commission, 450 McAllister Street Associates was the clear winner."

450 McAllister Street Associates consists of three firms, 1) Koll Construction Company, (Donald M. Koll of Newport Beach, California, sole proprietor), 2) WDG Ventures, a MBE firm, (operated by Charles and Paula Collins) and 3) Sagamore Associates (Robert Mendelsohn, President).

The proposed resolution would also authorize the CAO to accept and expend donations from 450 McAllister Street Associates to reimburse the City for costs incurred by City departments as a result of the exclusive negotiations for determining the economic feasibility of the public-private venture. Mr. Jack Moerschbaeher of the CAO's Office indicates that the amount of costs that City departments would incur as a result of the negotiations or the amount that 450 McAllister Street Associates would donate to reimburse those costs is not known at this time. Based on the Budget Analyst's inquiry, Mr. Moerschbaeher stated that it would be appropriate for the Finance Committee to reserve any

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monies donated, pending review of such City costs. According to Mr. Moerschbaeher, a determination of the costs and donation to be made would be the first phase of the negotiations to insure that there is no net cost to the City for the proposed negotiations.

Mr. Moerschbaeher states that neither the proposed resolution nor the determinations resulting from the proposed negotiations would obligate the City in any way to continue a relationship with 450 McAllister Street Associates for the development of a new office building. Also, by accepting donations from 450 McAllister Street Associates for reimbursement of the costs incurred by City departments in the negotiation process, there would be no cost to the City as a result of the proposed negotiations.

Comments:

1. Mr. Calvin Malone (retired), formerly of the City's Capital Improvement Advisory Committee, previously reported that the construction of a new building to house City offices on the three City-owned parcels utilizing the air rights over the Society of California Pioneers building is consistent with the Development Program for the Civic Center previously approved by the Board of Supervisors in December of 1987 (Resolution 1,125-87).

2. The Board of Supervisors has previously authorized the acquisition of options to purchase air rights over the California Society of Pioneers Building for calendar year 1991 (File 96-91-2) for \$28,800 and for calendar year 1992 (File 96-92-3), also at a cost of \$28,800 (total expenditures to date for air rights purchase options of \$57,600). Purchase of these options would enable the City to purchase the air rights over the 456 McAllister Street at a fixed price of \$360,000 plus \$5,000 for escrow fees.

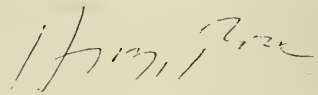
3. The two City-owned buildings at 450 and 460 McAllister Street that would be demolished to build a new office building currently house the Department of City Planning and portions of the Department of Public Works Engineering Division in approximately 46,500 square feet of usable space. The proposed new office building would have approximately 180,000 square feet of usable space. Mr. Tony DeLucchi of the Real Estate Department reports that there is no currently established plan as to which City departments would be moved into the new office building. According to the Real Estate Department, the City currently rents approximately 334,000 square feet of office space in the Civic Center area at an approximate annual rental cost of \$4.9 million.

4. As stated above, the proposed resolution does not obligate the City to engage 450 McAllister Street Associates to develop a new office building. Even if the proposed negotiations result in a determination that a public-private venture to develop the new office building is economically advantageous to the City, the City continues to have no further obligation to 450 McAllister Street Associates.

5. Mr. Moerschbaeher indicates that proposals for all other aspects pertaining to development of the new office building, including financing and selection of a developer, and proposals pertaining to development of other City office buildings adjacent to the proposed development would be the subject of separate legislation to be submitted for approval to the Board of Supervisors.

6. In order to insure that the Board of Supervisors maintains control over any donations that the City might receive as a result of the proposed resolution to accept and expend donations from the 450 McAllister Street Associates, a reserve should be placed on any such donations pending a report as to the disposition of the monies donated. The CAO's office agrees that such a reserve is appropriate because the amounts involved are not known at this time.

Recommendation: Amend the proposed resolution to reserve any donations received from the 450 McAllister Street Associates for reimbursement of City departmental costs resulting from the proposed negotiations, pending review of such costs by the Finance Committee. Approve the proposed resolution as amended.

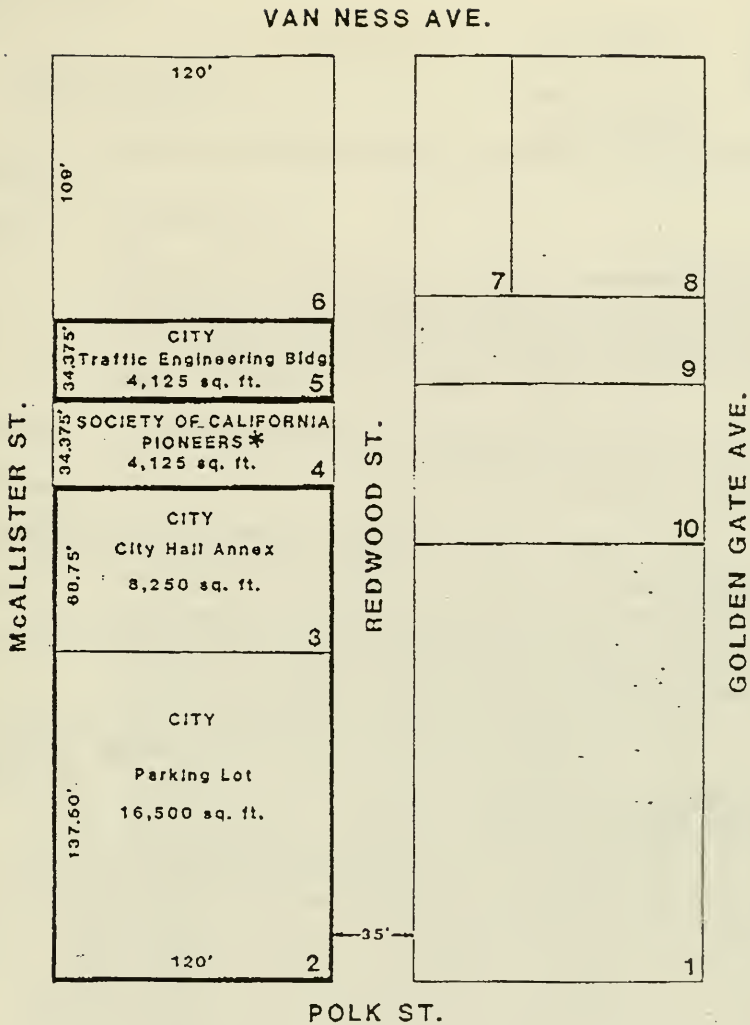


Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher

Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

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SITE MAP

BLOCK 766, LOTS 2, 3, 4, & 5

—	PROPERTY OWNED IN FEE BY CITY	28,875 sq. ft.
*	PROPOSED AIR RIGHTS ACQUISITION	<u>4,125</u>
	TOTAL AREA	33,000 sq. ft.

City and County of San Francisco

Human Rights Commission

Office of Minority/Women Business Enterprise

Office of Contract Compliance

Office of Dispute Resolution



Edwin M. Lee
Director

July 27, 1992

Harvey Rose
Budget Analyst
Board of Supervisors
City and County of San Francisco
1390 Market Street
San Francisco, CA. 94102

Re: Selection of 450 McAllister Associates

Dear Mr. Rose:

In response to your office's request this morning, I am able to provide you with the following information in Director Ed Lee's absence.

450 McAllister Associates was recommended to the Chief Administrative Officer based on the scoring of the selection panel, a copy of which is attached.

450 McAllister Associates was granted a 5% preference because they were determined to be a bonafide joint venture with a certified Minority Business Enterprise (MBE). The MBE was WDG Ventures Inc. which has been certified by the Human Rights Commission.

I hope this is sufficient information for your purposes. Please call me at 252-2505 if you have any further questions.

Sincerely,

Don Hesse
Coordinator

cc: Scott Emblidge, City Attorney

Memo to Finance Committee
July 29, 1992

Public Library, Documents Dept.
ATTN: Gerry Roth

DOCUMENTS DEPT.

JUL 30 1992

SAN FRANCISCO
PUBLIC LIBRARY

REVISED

Item 1g - File 147-92-2.1

Note: This item was continued from the Finance Committee meeting on July 15, 1992.

Department: Public Library

Item: Resolution authorizing the City Librarian to accept and expend funds not to exceed \$696,579 available through the California State Library from Title II of the Library Services and Construction Act, which includes indirect costs in the amount of \$43,997, or five percent of the total grant.

Grant Amount: Not to exceed \$696,579

Source of Funds: Federal grant funds through the California State Library

Grant Period: January, 1993 to April, 1995

Description: The Board of Supervisors previously approved legislation authorizing the Library to apply for the proposed grant funds in an amount not to exceed \$879,935, (File 147-92-2). The Public Library advises that, in the interim, the State has notified the Department that the allocation will be in an amount not to exceed \$696,579 or \$183,356 less than the original not to exceed amount of \$879,935.

The Public Library advises that the proposed grant funds would be used as a match to expand the scope of renovation work for the Mission Branch Library. The Public Library has currently identified \$829,894 in 1988 Library Improvement Bond Funds, \$100,000 in Earthquake Safety Bond Program Phase II funds and \$29,935 in General Fund monies (included in the 1992-93 budget) for a total of \$959,829. The \$959,829 will be used primarily to pay for seismic upgrading electrical work, handicapped accessibility and asbestos abatement. According to the Public Library, the proposed matching grant, which would bring the total amount available for renovation to \$1,656,408, would be used to expand the scope of renovation work to include (1) expansion of the building to the property line to provide a 25 percent increase to the public area of the Mission Branch and to improve the quality of staff work spaces, (2) creation of a single level on the first floor to provide an additional enhancement to handicapped accessibility, (3) expansion of the Children's Department to provide for a reading room area and a

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separate area for special activities and (4) creation of an area for tutoring and public access to microcomputer use.

Project Budget:

	Federal Grant Funds	1988 Library Improvement Bond Funds Earthquake Safety Bond Program Phase II Funds and General Funds	Total
<u>Design Phase</u>			
Programming	\$30,000	\$30,000	\$60,000
Estimator	5,000	5,000	10,000
Bureau of Architecture	30,000	30,000	60,000
Structural Engineer	20,000	20,000	40,000
Mechanical Engineer	10,000	10,000	20,000
Electrical Engineer	10,000	10,000	20,000
Asbestos Investigator	5,500	5,500	11,000
Surveys	<u>1,500</u>	<u>1,500</u>	<u>3,000</u>
Subtotal	\$112,000	\$112,000	\$224,000
<u>Construction Phase</u>			
Construction	\$414,750	\$649,538	\$1,064,288
Construction Management	60,000	60,000	120,000
Permit Fees	1,500	1,500	3,000
Soil Tests	5,000	5,000	10,000
Art Enrichment	10,000	10,000	20,000
Asbestos Abatement	16,500	16,500	33,000
Contingency	<u>42,000</u>	<u>75,356</u>	<u>117,356</u>
Subtotal	\$549,750	\$817,894	\$1,367,644
<u>Equipment</u>			
Data Processing Equipment	0	\$29,935	\$29,935
Indirect Costs	<u>\$34,829</u>	<u>0</u>	<u>\$34,829</u>
Total	\$696,579	\$959,829	\$1,656,408

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Required Match: \$696,579. As reflected above, the Public Library has identified \$959,829 of previously appropriated 1988 Library Improvement bond funds, Earthquake Safety Bond Program Phase II Funds and General Funds monies included in the 1992-93 budget that would be used as local matching funds, or \$263,250 more than the \$696,579 required amount of matching funds.

Indirect Costs: \$34,829 (see Comment #1)

Comments: 1. The Public Library reports that the amount of \$43,997 included in the proposed legislation for indirect costs is incorrect. The correct amount for indirect costs is \$34,829 as reflected in the Project Budget above, or five percent of the total grant award of \$696,579. Therefore, the proposed legislation should be amended to include \$34,829 instead of \$43,997 for indirect costs in both the title and body.

2. As noted above, the proposed grant has a required match of \$696,579. This match is not reflected in the title or body of the proposed legislation. Therefore, the proposed legislation should be amended to reflect the \$696,579 in the title and body of the proposed legislation.

3. The Public Library projects that the renovation on the Mission Branch Library will commence by January of 1994. The Library anticipates that an Invitation for Bids will be issued by December of 1993, to acquire the necessary construction contractor. The Budget Analyst recommends that the proposed legislation be amended to place \$456,750 in grant monies for the construction contract (\$414,750) and contingencies (\$42,000) on reserve pending the Public Library submitting cost details and the MBE/WBE status of the contract.

4. Attached is a grant summary, as prepared by the Public Library, for the proposed grant.

5. The Public Library has prepared a Disability Access Checklist for this proposed grant, which is included in the file.

Recommendations: 1. Amend the proposed legislation to include \$34,829 instead of \$43,997 for indirect costs in both the title and body of the proposed resolution.

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2. Amend the proposed legislation to reflect the required match of \$696,579 in the title and body of the proposed legislation.
3. Amend the proposed legislation to reserve \$456,750 for the construction contract and contingencies pending the Public Library's submission of contractor cost details and the MBE/WBE status of the contract.
4. Approve the legislation as amended.

File Number _____

GRANT APPLICATION INFORMATION FORM

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution.

Department: LibraryContact person: Kathy Page Phone: 557-4210Project title: Mission Branch Expansion/RenovationGrant source: Library Services and Construction Act, Title II (Federal)Proposed (☒ New / ☐ Continuation) Grant Project Summary:

Under the Library Improvement Bonds of 1988, the San Francisco Public Library renovating and improving several branch libraries. This grant seeks to expand the scope of work for the Mission Branch Library, the Library's largest branch in the Southeast section of the city. The grant would enable the branch public area to increase by 25% and significantly improve the quality of staff work spaces. Without the grant, the Library will be able to upgrade the building seismically and make it handicapped accessible, nor there will be an opportunity to improve the service level provided at this facility.

Amount of grant funding applied for: \$696,579

Maximum funding amount available: _____

Required matching funds: \$959,829Number of positions created and funded: 0

Amount to be spent on contractual services: _____

Will contractual services be put out to bid? Yes

Grant Application Information Form

p. 2

Term of grant: January 1993 - April 1995Date Department was notified of available funds: December 2, 1991Application Due Date: April 6, 1992

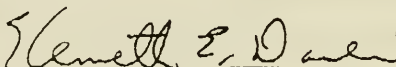
Grant funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

The Library Services and Construction Act is intended to assist states to establish, extend and improve public library services in areas that are without these services or in which these services are inadequate. Inadequate facilities are those which do not meet locally adopted community service standards, do not provide easy access and use by physically handicapped persons, and do not provide for energy conservation or new technologies. 1992 projects will be measured against the priority that the community serves a minority population which significantly exceeds the state average. These projects can be for additions to existing buildings and for remodeling existing library buildings to provide handicapped access, introduction of new technologies, or remodeling for safe working environments or energy conservation. To meet this priority, populations in the service area of the facility must have a combined Black, American Indian, Eskimo, Aleut, Asian and Pacific Islander (all groups), and Spanish origin populations as defined in the 1980 Census, that is at least 50% of the total population in the facility service area. This program requires a minimum of at least 50% in non-Federal matching funds. This funding must be guaranteed. SFPL will provide this funding from the Library Improvement Bond.

Assessment of Need for Grant Funding:

Current service space in the branch library does not meet standards for a community the size of the Mission. The branch is limited in seating and shelving space. In addition, the current floor plan requires extra staffing and creates security and safety hazards. The adult book collection is not wheelchair accessible. There is not public meeting space. The Library Improvement Bond funding does not allow for site expansion or extensive remodeling. This funding would allow the Library to significantly expand the scope of work at the branch while greatly improving the facility's for public use and safety.

Department Head approval: _____

Kenneth E. Dowlin
City Librarian

SF
590.25
#2
8/5/92

CALENDAR — Action Taken

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, AUGUST 5, 1992 – 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ AND HALLINAN

ABSENT: SUPERVISOR MIGDEN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 25-92-25. [Prop J Contract] Resolution concurring with Controller's certification that services of the Court Management System Coordinator can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Municipal Court)

ACTION: Recommended.

DOCUMENTS DEPT.

AUG 06 1992

SAN FRANCISCO
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- (b) File 146-92-53. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, Central Administration, to apply for a grant of up to \$420,000, which includes indirect costs in the amount of \$38,000, based on ten percent of direct costs, from the Robert Wood Johnson Foundation, the Northern California Grantmakers, the Henry J. Kaiser Family Foundation, Pacific Gas and Electric Company, the Hearst Foundations, the Richard and Rhoda Goldman Fund, the San Francisco Foundation, the Gannett Communities Fund, the Pacific Telesis Foundation, the Ernst D. Van Loben Sels/Eleanor Slate Van Loben Sels Charitable Foundation, the Wells Fargo Contributions Program, the Crescent Porter Hale Foundation, the Clorox Company Foundation, the Walter and Elise Haas Fund, the McBean Family Foundation, the Montgomery Street Foundation, the Koret Foundation and the Bernard Osher Foundation for funding for the Health of the City proposal. (Department of Public Health)

ACTION: Amended on lines 3 and 13, by replacing "\$38,000" with "\$42,000". Further amended on line 7, after "Wells Fargo", by adding "Corporate". Recommended as amended. New title: "Authorizing the Department of Public Health, Central Administration, to apply for a grant of up to \$420,000, which includes indirect costs in the amount of \$42,000, based on ten percent of direct costs, from the Robert Wood Johnson Foundation, the Northern California Grantmakers, the Henry J. Kaiser Family Foundation, Pacific Gas and Electric Company, the Hearst Foundations, the Richard and Rhoda Goldman Fund, the San Francisco Foundation, the Gannett Communities Fund, the Pacific Telesis Foundation, the Ernst D. Van Loben Sels/Eleanor Slate Van Loben Sels Charitable Foundation, the Wells Fargo Corporate Contributions Program, the Crescent Porter Hale Foundation, the Clorox Company Foundation, the Walter and Elise Haas Fund, the McBean Family Foundation, the Montgomery Street Foundation, the Koret Foundation and the Bernard Osher Foundation for funding for the Health of the City proposal."

- (c) File 101-90-78.3. [Release of Funds] Requesting release of reserved funds, Department of Public Works, Earthquake Safety Program Phase 2, in an amount totalling \$357,478, San Francisco General Hospital for construction contract for partial earthquake damage repairs throughout the hospital complex (\$324,980 construction contract and \$32,498 a 10% construction contingency for changes during construction). (Department of Public Works)

ACTION: Release of \$357,478 recommended. Filed.

- (d) File 94-91-4.4. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in the amount of \$3,793,870, to fund one of the capital improvement projects, Municipal Railway Contract No. MR-898, 14 Mission Line Trolley Overhead Reconstruction – Phase A (Persia to Daly City Loop). (Public Utilities Commission)

ACTION: Release of \$3,793,870 recommended. Filed.

- (e) File 94-92-1.1. [Release of Funds] Requesting release of reserved funds, Public Utilities Commission, in an amount totalling \$159,060, (\$97,560 to be transferred to the City's Department of Parking and Traffic to upgrade the signal controllers and pedestrian warning devices and \$61,500 for the City's Purchaser to issue requisition orders for the sensors and interface boxes). (Public Utilities Commission)

ACTION: Release of \$158,140 recommended. Filed.

- (f) File 148-91-1.2. [Release of Funds] Requesting release of reserved funds, Department of Public Works, in the of amount \$858,854, for roadway work on City streets in accordance with the State-Local Transportation Partnership Program, 2nd Cycle. (Department of Public Works)

ACTION: Release of \$858,854 recommended. Filed.

REGULAR CALENDAR

2. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 7/29/92)

ACTION: Hearing held. Continued to August 12, 1992, meeting.

3. File 47-92-5. [Garage Lease Documents] Ordinance approving and adopting Polk-Bush Garage legal documents and authorization for management agreement. (Real Estate Department)
(Continued from 7/29/92)

ACTION: Recommended.

4. File 31-92-3. [Employee Replacement] Resolution approving immediate filling of vacated position of one Classification 0140 Chief, Fire Department. RO #92040. (Fire Commission)

ACTION: Recommended.

5. File 31-92-4. [Employee Replacement] Resolution approving immediate filling of vacated position of one Classification 0150 Deputy Chief, Fire Department. RO #92034. (Fire Commission)

ACTION: Recommended.

6. File 68-92-4.1. [Home Program] Resolution approving procedures for allocating Home Program Funds, and authorizing the Mayor of the City and County of San Francisco to encumber and authorize release of a grant of Home Program Funds from the U.S. Department of Housing and Urban Development for a total amount not to exceed Eight Million, Two Hundred Six Thousand Dollars (\$8,206,000). Direct and indirect costs associated with the acceptance of these grant funds will be paid by Community Development Block Grant Funds. (Mayor's Office of Economic Planning and Development)

ACTION: Continued to August 12, 1992, meeting (at the request of Department).

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CITY AND COUNTY



Public Library, Documents Dept.

OF SAN FRANCISCO

ATTN: Gerry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 3, 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: August 5, 1992 Finance Committee Meeting

DOCUMENTS DEPT.

AUG 04 1992

SAN FRANCISCO
PUBLIC LIBRARY

Item 1a - File 25-92-25

Department: Municipal Court

Item: Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that services of the Court Management System Coordinator can continue to be practically performed by a private contractor for a lower cost than similar work performed by City and County employees.

Services to be Performed: Coordinator of the Court Management System is responsible for various technical, programming, and analytical functions related to the Court Management System (CMS) data base.

Description: The Controller has determined that contracting for Court Management System Coordinator services in fiscal year 1992-93 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operated Service Costs</u>		
Salary	\$50,869	\$60,526
Fringe Benefits	<u>12,717</u>	<u>15,131</u>
Total	\$63,586	\$75,657
<u>Contracted Service Cost</u>	<u>\$47,000</u>	<u>\$47,000</u>
<u>Estimated Savings</u>	\$16,586	\$28,657

Comments:

1. Court Management System Coordinator services were first certified as required by Charter Section 8.300-1 in 1978 and have continued to be provided by an outside contractor since then.
3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor is attached.
4. The Contracted Service Cost for 1992-93 is \$47,000 based on the existing Court Management System Coordinator contractor costs.
5. Mr. Park-Li reports that the current Court Management System Coordinator contractor, the Shaffer Consulting Company, was originally selected through an interview process, and the subsequent approval by the Court Management Policy Committee. Since the initial selection process, the Municipal Court has renewed the contract for the Court Management System Coordinator services for the past three years with the Shaffer Consulting Company. The term of this contract will expire on June 30, 1993.
6. The contractor, Shaffer Consulting Company, is not certified as an MBE or WBE.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department Municipal Court For Time Period FY 1992-93
Contract Services Court Management System Coordinator

1) Who performed services prior to contracting out?

Coordinator services were originally provided through the LEAA grant during development of the Court Management System (CMS).

2) Number of City employees laid off as result of contracting out?

None.

3) Explain disposition of employees if they were not laid off.

Coordinator has made the use of CMS more adaptable to office operations. City employees began to benefit from computer support.

4) What percent of a City employee's time is spent on services to be contracted out?

None. The coordinator position crosses over nine City departments in supporting and using CMS.

5) How long have the services been contracted out?

Since 1978.

6) What was the first fiscal year for a Proposition J certification?

The year when Proposition J became legal in San Francisco.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

To meet our needs.

Department Representative

Telephone: 554-4516

Item 1b - File 146-92-53

Department: Department of Public Health (DPH),
Central Administration

Item: Resolution authorizing the Department of Public Health to apply for a grant, which includes indirect costs of \$38,000 based on 10 percent of direct costs, from various private foundations and corporations for funding the Health of the City proposal.

Grant Amount: Up to \$420,000

Grant Period: An estimated 18 to 24-month period

Sources of Funds: The Robert Wood Johnson Foundation, the Northern California Grantmakers, the Henry J. Kaiser Family Foundation, Pacific Gas and Electric Company, the Hearst Foundations, the Richard and Rhoda Goldman Fund, the San Francisco Foundation, the Gannett Communities Fund, the Pacific Telesis Foundation, the Ernst D. Van Loben Sels/Eleanor Slate Van Loben Sels Charitable Foundation, the Wells Fargo Corporate Contribution Program, the Crescent Porter Hale Foundation, the Clorox Company Foundation, the Walter and Elise Haas Fund, the McBean Family Foundation, the Montgomery Street Foundation, the Koret Foundation and the Bernard Osher Foundation.

Project: The Health of the City Proposal

Description: The purpose of the proposed grant of up to \$420,000 is to fund the implementation of a research project to assess the City's public health needs and the public and private health care services available to all San Franciscans, and to prepare a comprehensive report on the state of the health of the City. These efforts would represent the first time that the City has worked with both public and private health care providers to assess the full spectrum of the City's public and private health care, ranging from primary (or preventative care) to secondary (intervention and outpatient care) to tertiary (or acute or emergency) care. It is anticipated that such a project would analyze health care trends in the City over the past decade and make some projections about the City's health care for the next five years. Once completed, the comprehensive report on the state of the health of the City would be available to decisionmakers, health care professionals, and the general public.

The DPH anticipates that a substantial portion of the proposed grant would be used to hire consultants to work with the DPH to perform the following: (1) an assessment of the existing public and private health care databases, which include information regarding the City's population, demographics, physician distribution, health care utilization and costs; (2) a selection of "quality" databases which provide useful information to the DPH; (3) an assessment of the DPH's role within the City's health care systems; and (4) an analysis of how to make the health care data useful and accessible to City managers and policymakers. Once established, the DPH intends to have the Department's own staff maintain and utilize such a health care information base, and to develop concrete health care projections and reports to enable the DPH to make more informed strategic decisions.

The overall goals of the proposal are: (1) to reduce the unacceptably high incidence and prevalence of health care problems in the City; (2) to promote a flexible, responsive health care system; and (3) to establish an information base and analytical framework to facilitate strategic planning for the City's public and private primary, secondary and tertiary health care services.

Presently, the DPH's various divisions track health care trends separately on a more limited basis than what would be funded under the proposed grant, and the DPH has limited knowledge about private health care in the City. The data that the DPH would compile under the proposed grant would not be duplicative of data currently available to the City, e.g., the 1990 U. S. Census data.

The concept behind the Health of the City proposal largely originated from the DPH's executive staff and is supported, in concept, by the Ad Hoc Citizens Budget Advisory Committee, which was started by Dr. Raymond Baxter approximately two years ago when he became the Director of Health in San Francisco. The Committee is composed of various entities such as the California Nurses Association, the Clinic Consortium, the unions, and the San Francisco Chamber of Commerce, and is staffed by three DPH professionals, Dr. Baxter, Ms. Susan Ehrlich, and Ms. Deborah Alvarez. The Committee's function is to advise DPH on budget and policy issues. In addition, DPH's executive staff has been meeting on a regular basis with division heads within DPH, and the input of DPH's division heads will be an integral part of the Health of the City proposal.

BOARD OF SUPERVISORS
BUDGET ANALYST

Substantial cuts in Federal, State and local health care resources in recent years, increasing demands on the City's public health system, and health care cost containment measures are prompting the DPH to critically assess community health care needs and resources, set priorities, and target limited resources. The DPH believes the proposed project would be a critical first step in assessing health care in the City.

The DPH is in the process of developing a concept paper for the proposed grant, which will be reviewed by both the DPH's division heads and by members of the Ad Hoc Citizens Budget Advisory Committee within the next few weeks. The grant proposal will be completed by approximately mid-September in 1992.

Required Match: None.

Indirect Costs: \$42,000, or 10 percent of direct costs (see Comment No. 1).

Comments: 1. Ms. Deborah Alvarez of the DPH advises that indirect costs will be approximately 10 percent of the total grant of \$420,000, or \$42,000, rather than \$38,000, as stated in the title and the body of the proposed resolution. Therefore, the title and the body of the proposed resolution should be amended to reflect that indirect costs of approximately \$42,000 are included in the proposed grant.

2. Ms. Alvarez reports that as of the writing of this report, no budget for the project is available, but that it will be provided when the DPH requests the Finance Committee's authorization to accept and expend the grant funds. Included in the budget will be a list of health care consultants and approximate costs for performing the tasks required under the proposed grant.

3. Ms. Alvarez reports that DPH plans to submit the grant proposal to the above-listed foundations and corporations in September and October, 1992. The notification dates for these foundations and corporations vary. Upon review of the grant, the various private foundations and corporations will determine whether or not they will support the proposed grant application and if so, how much each will contribute toward the proposed grant.

4. Ms. Alvarez indicates that the DPH plans to request funding from the above-listed foundations and private corporations because these entities have funded grant proposals in the past which related to planning,

public/private partnerships, and strategic management information systems. To her knowledge, no other city has developed such a broad-based health care information system to aid in strategic planning efforts.

5. Ms. Alvarez advises that the DPH will not be able to proceed with the Health of the City proposal without funding from the foundations and private corporations, and that the DPH does not plan to spend any new City monies for the project. However, it is possible that the DPH will redirect existing DPH staff to work on the project, Ms. Alvarez reports. It is anticipated that the proposed grant will fund both DPH staff and consultants to work on the project.

6. The title of the proposed resolution includes the Wells Fargo Contributions Program while the body of the legislation includes the Wells Fargo Corporate Contributions Program. Therefore, the proposed resolution should be amended to reflect the correct name of the program, the Wells Fargo Corporate Contributions Program, in the title of the legislation.

7. Ms. Alvarez reports that the proposed grant would enable the DPH to develop a microcomputer information base which could be updated every two to three years. The DPH projects that the proposed City database and report would consist of the following three components: (1) demographic, socioeconomic and health status characteristics of City residents, e.g., health status profiles of City neighborhoods; (2) a description of the City's health care delivery resources, linkages and ability to meet health care needs; and (3) an examination of the DPH's role within the City's health care delivery system.

8. Attached is the Summary of Grant Request, as prepared by the DPH.

9. The DPH has completed a Disability Access Checklist, which is in the file.

Recommendations: 1. Amend the title and the body of the proposed resolution to reflect indirect costs of approximately \$42,000.

2. Amend the title of the proposed resolution to reflect the correct name of the Wells Fargo Corporate Contributions Program.

3. Approve the proposed resolution, as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

Sanitor see resolution
Contact Person -----
Address -----
Amount Requested Sup to \$420,000
Term: From --- To ---
Health Commission -----

Division Central Administration
Section Budget and Planning
Contact Person Debbie Alvarez
Telephone 554-2629
Application Deadline Not known
Notification Expected Not known
Board of Supervisors: Finance Committee -----
Full Board -----

Item Description: Request to (apply for) (accept and expend) a (new) (continuing) (addition) (renewal) of
(Circle appropriate words)
grant in the amount of to \$420,000 from the period of Not known to Not known
to provide implementation of a project to assess public health needs
and the public and private health care services available to all San

Summary: (Concise summary; need address; number + groups served; services and providers) Franciscans; and to prepare a comprehensive report on the health of the city.

The overall intent is to reduce the unacceptably high incidence and prevalence of health problems in the community, to promote a flexible and responsive health care system, and to establish an information base and analytical framework that facilitates strategic management and planning for the city's public and private primary, secondary and tertiary health care services.

III. Outcomes/Objectives:

1) To establish an ongoing information base that will inform decision making in the health service system. This database will describe the population of San Francisco, identify its health needs, analyze utilization patterns, and assess the available resources to address these needs. 2) To assess recent and anticipated changes affecting the public health and (cont

V. Effects of Reduction or Termination of These Funds:

Project will not be initiated without grant funding.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	-----	-----	up to \$420,000	-----	-----	-----
Personnel	-----	-----	-----	-----	-----	-----
Equipment	-----	-----	GRANT BUDGET	-----	-----	-----
Contract Svc.	-----	-----	IS BEING	-----	-----	-----
Mat. & Supp.	-----	-----	DEVELOPED.	-----	-----	-----
Facilities/Space	-----	-----	-----	-----	-----	-----
Other	-----	-----	-----	-----	-----	-----
Indirect Costs	-----	-----	-----	-----	-----	-----

VI. Data Processing

(Same included above)

VII. Personnel

F/T CSC	-----	-----	-----	-----	-----
P/T CSC	-----	-----	-----	-----	-----
Contractual	-----	-----	-----	-----	-----

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?
Not determined.

VIII. Contractual Services: Open Bid --- Sole Source --- (If sole source, attach Request for Information Form)

health care delivery system, and to publish a report that identifies these critical issues and provides a platform for future planning efforts. 3) To incorporate the results of this study into ongoing budget and management decision-making in order to improve the efficiency and effectiveness of the Health Department and promote greater collaboration between the public and private health care sector.

Item 1c - File 101-90-78.3

Department: Department of Public Works (DPW)
Bureau of Architecture (BOA)
San Francisco General Hospital (SFGH)

Item: Request for release of reserved funds, Department of Public Works, Earthquake Safety Program Phase 2, San Francisco General Hospital for a construction contract for partial earthquake damage repairs throughout the Hospital complex (\$324,980 construction contract and \$32,498 a 10 percent construction contingency for changes during construction).

Amount: \$357,478

Source of Funds: 1990 Earthquake Safety Bonds (Phase II)

Description: The Board of Supervisors previously approved a supplemental appropriation ordinance (File 101-90-78) which appropriated \$19,325,716 for various capital improvement projects and reserved a total of \$5,478,294, pending project construction details, the selection of contractors and the MBE/WBE status of the contractors. A total of \$1,982,208 has been subsequently released from reserve leaving a total of \$3,496,086 still on reserve. If the Board of Supervisors approves the request for release of reserved funds, a total of \$3,138,608 would remain on reserve.

The request for release of reserved funds would be used to complete earthquake damage repairs at San Francisco General Hospital. Specifically, these funds would be used as follows:

<u>Construction Contract</u>	\$324,980
<u>Contingencies</u>	<u>32,498</u>
10 percent of the construction contract	
Total	\$357,478

Comments: 1. The proposed \$324,980 for contractual services would be awarded on a lump-sum basis to Rise Development Company, the low-bidder on the proposed contract. Although Rise Development Corporation is a minority-owned firm, because the firm is located in South San Francisco, it is not City-Certified as an MBE firm. The MBE and/or WBE subcontractors which Rise Development Company would utilize would comprise \$142,000 or approximately 44 percent of the total contract.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 5, 1992

2. According to Mr. Jorge Alfaro of the Department of Public Work's (DPW) Bureau of Architecture, the earthquake damage repairs at SFGH would begin approximately in mid-August, 1992 and be completed by February, 1993.

Recommendation: Release the reserved funds in the amount of \$357,478.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 1d - File 94-91-4.4

Departments: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Request for release of reserved funds, including \$3,035,096 in Federal funds and \$758,774 in local matching funds for a total of \$3,793,870 for Municipal Railway Contract No. MR-898, 14 Mission Line Trolley Overhead Reconstruction - Phase A (Persia Avenue to Daly City Loop).

Grant Amount: \$3,793,870

Source of Funds: Urban Mass Transit \$3,035,096
Administration (UMTA)
Section 9 Capital Assistance

Local Match (See Comment 1)	<u>758,774</u>
Total	\$3,793,870

Description: The Board of Supervisors previously approved a resolution (File 94-91-4) authorizing the Public Utilities Commission (PUC) to apply for, accept and expend \$13,815,120 in Federal Urban Mass Transit Administration (UMTA) Section 9 formula assistance funds (Federal Transit Act (FTA)), and apply for, accept and expend \$3,453,780 in local matching funds for a total of \$17,268,900. Of the total \$17,268,900, a total of \$13,982,500 for contractual services was reserved (\$11,186,000 of Federal funds and \$2,796,500 of local funds), pending the selection of contractors, budgets for the contractors, and the contractors' MBE/WBE/LBE status.

Included in the \$13,982,500 on reserve is the sum of \$3,793,870 that was reserved for trolley overhead construction on Mission Street.

The Board of Supervisors subsequently approved a resolution (File 61-92-5) granting an extension of time to August 21, 1992 within which to award Municipal Railway (MUNI) Contract No. MR-898, 14 Mission Line Trolley Overhead Reconstruction (Phase A - Persia Avenue to Daly City Loop).

The extension of time was requested because the second lowest bidder on the project, Kingston Construction, protested the low bid of Abbett Construction Company and Yick Electric Company Incorporated, a Joint Venture, on the basis that the Joint Venture did not properly implement the Disadvantaged Business Enterprise (DBE) Goal of 30 percent. The PUC's Contract Compliance Office reviewed the complaint and found that the protest was without merit.

BOARD OF SUPERVISORS
BUDGET ANALYST

Since the proposed contract is primarily funded with FTA funds, the City's MBE/WBE/LBE preferences are not applicable. Instead, only the Federal government's DBE Goal (which incorporates both MBE and WBE representation in the proposed contract) is applicable. The PUC's Contract Compliance Office, which works closely with the Human Rights Commission, has certified that Abbett Construction Company and Yick Electric Company Incorporated is a Joint Venture which has met the applicable DBE and Affirmative Action Requirements. The PUC will award the contract to Abbett Construction Company and Yick Electric Company Incorporated on August 11, 1992.

The PUC now requests a release of the \$3,793,870 for MUNI Contract MR-898 for Phase A of the Trolley Overhead Reconstruction for the 14 Mission bus line. The PUC advises that the remaining \$763,647 (for a total contract cost of \$4,557,517) is to be provided by a previously awarded UMTA Section 9 grant and local matching funds (File 94-89-4).

Comments:

1. Ms. Marianne Malveaux of PUC's Finance Bureau advises that the source of the \$758,774 in local matching funds under this request for the release of the reserved funds of \$3,793,870, is as follows:

State Transportation Planning and Development (TP&D) Grant	\$379,387
Hetch Hetchy Funds	200,000
San Francisco Municipal Railway Improvement Corporation (SFMRIC)	<u>179,387</u>
Total match	\$758,774

2. The budget for the proposed project is attached.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

	PROPOSED PERSIA TO DC TOTAL BUDGET	TOTAL CURRENT PERSIA TO DC BUDGET	NEEDED	CURRENT PERSIA TO DC		CURRENT PERSIA TO DC X-422
				X-372		
Project Management	85,000	62,000	23,000	62,000		0
Engineering Services	590,000	325,000	265,000	325,000		0
Construction Engineering	230,000	230,000	0	230,000		0
Contingency	650,000	674,173	(24,173)	674,173		0
Non-UEB Project Management	10,000	10,000	0	10,000		0
Non-UEB Engineering	25,000	25,000	0	25,000		0
DPW WO	33,000	33,000	0	33,000		0
Other Direct Expenses	20,000	20,000	0	20,000		0
Construction Contract	5,600,000	4,557,517	1,042,483	763,647		3,793,870
DPT WO	15,000	15,000	0	15,000		0
RTO to DPW	17,000	17,000	0	17,000		0
Daly City Construction	430,000	430,000	0	430,000		0
TOTAL	7,705,000	6,398,690	1,306,310	2,604,820		3,793,870

Item 1e - File 94-92-1.1

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)
Department of Parking and Traffic

Item: Release of reserved funds in an amount totalling \$159,060, of which \$97,560 is to be transferred to the Department of Parking and Traffic to upgrade signal controllers and pedestrian warning devices and \$61,500 is for the City's Purchaser to issue requisition orders for monitoring and test equipment and sensors and interface boxes.

Amount: \$159,060

Source of Funds: Federal Highway Administration Funds (FHWA) administered through the State Department of Transportation Traffic Systems Management funds.

Description: The Board of Supervisors previously approved legislation authorizing the PUC to apply for, accept and expend a new State grant in the amount of \$437,000 (File 94-92-1). At the same time, the Board of Supervisors placed \$335,000, earmarked for contractual services, on reserve pending determination of MBE/WBE status of contractors and contract cost details. The grant funds are to be used to purchase and install MUNI traffic signal preemption equipment at various intersections along Mission Street and Ocean Avenue.

Comments: The PUC is now requesting that \$159,060 of the \$335,000, which was placed on reserve, be released. The PUC advises that the installation and upgrading of the traffic signals will be performed in-house by the Department of Parking and Traffic. As such, the PUC is proposing to transfer \$97,560 of the requested \$159,060 in reserve funds to the Department of Parking and Traffic for this purpose. The remaining balance of \$61,500 would be transferred to the Purchaser for the purchase of monitoring and test equipment, and interface boxes and sensors (mechanisms which control traffic signal light changes in response to MUNI trolley coaches movement).

The Department of Parking and Traffic's estimated expenditures for the work to be performed, are as follows:

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Traffic Engineering Division
Engineering Services during Planning,
Design and Construction Phases \$25,000

Signal Division
Installation of 12 Traffic Signal Controllers @
\$4,000 each. 48,000

Installation of 24 Pedestrian Signals @ \$645
each. 15,480

Upgrade of Eight(8) Existing Pedestrian
Signals @ \$510 each. 4,080

Contractor
Install Foundation, Pull Box and Conduit 3,000

Subtotal \$95,560

The Purchaser would be responsible for
issuing requisitions for the purchase of the
following equipment:

Interface Boxes (36 @ \$1,100 each) \$39,600

Sensors (36 @ \$305 each) 10,980

Monitoring and Test Equipment 12,000

Subtotal \$62,580

Grand Total \$158,140

Comments:

1. Mr. Javad Micabdal of the Parking and Traffic Department reports that the contractor services budgeted for \$3,000 would be performed by one of three construction contractors who have on-going annual contracts with the Parking and Traffic Department.

2. As noted above, the Department of Parking and Traffic's actual estimated total expenditures for the installation and upgrading of the traffic signals is \$95,560 or \$2,000 less than the \$97,560 requested and the equipment is \$62,580 or \$1,080 more than the estimated \$61,500, for a total of \$158,140. Therefore, the Budget Analyst recommends that \$158,140 of the total requested \$159,060 be released from reserve and the remaining balance of \$920 continue to be reserved.

Recommendation: Release \$158,140 of the \$159,060 from reserve. Continue to reserve \$920.

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Item 1f - File 148-91-1.2

Department: Department of Public Works (DPW)
Bureau of Engineering

Item: Release of reserve for roadway work on City streets in accordance with the State-Local Transportation Partnership Program (2nd Cycle).

Amount: \$858,854

Source of Funds: California Department of Transportation (Caltrans)

Description: The Board of Supervisors previously authorized the DPW to expend up to \$1,641,494 granted under the State-Local Transportation Partnership Program to fund the second year or cycle of the ten-year life of the Program (File 148-91-1.1) to fund various street reconstruction projects. These grant funds are made available for various local transportation street improvement projects under SB 400. In addition to the \$1,641,494 of State grant funds, \$3,826,507 in local monies from the Half-cent Sales Tax and the 1987 Street Improvement Bond Funds have been appropriated by the City for these projects as the required local match. In January of 1992, the Board of Supervisors placed \$1,374,015 of the \$1,641,494 State funds on reserve pending selection of contractors, including identification of the MBE/WBE/LBE status of the contractors and finalized contact cost details. This item is a request to release \$858,854 of the \$1,641,494 placed on reserve. The attached table is the breakout of the total project costs by project and the contractors selected. The Department is requesting a release of the State funds which total \$858,854.

Comments:

1. Mr. Joe Ovadia of the Department of Public Works reports that all of the total costs include a ten percent allowance for contingencies and a ten percent allowance for DPW Construction Management costs associated with inspecting the projects before completion.
2. As noted in the attached table, the following three of the contractors selected are City certified MBEs: Inter-Coastal, a Joint Venture, Stacy & Witbeck, and Esquivel and Esquivel Grading & Paving, Inc. The table also shows the locations of these street reconstruction projects.

Recommendation: Release the requested \$858,854.

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STATE LOCAL TRANSPORTATION PARTNERSHIP PROGRAM

CYCLE 2

Job Order	Project Limits	Eligible Cost	State Funds (30.02%)	Local Match (%)	Bidders & Bid Amount	Selected Contractor
6638E	Various City Streets (27th St., Ramsell St., and Mansell St.)				<ul style="list-style-type: none"> ■ Ghilotti Bros., Inc. \$637,895.00 ■ Inter-Coastal, a Joint Venture (MBE/LBE) \$669,970.00 ■ Shimmick Construction, Inc. (LBE) \$731,110.00 ■ D'Arcy & Hartly and San Luis Construction Inc. (MBE/LBE) \$738,400.00 ■ Golden Bay/A. Nakano, JV. (MBE/LBE) \$755,160.00 	Inter-Coastal, a Joint Venture (MBE/LBE) \$669,970.00
7017E	Allington St. (Fairmont St. to Bostworth St.) Elisworth St. (Jarboe Ave. to Alernany Blvd.) Bennington St. (Eugenia Ave. to Highland Ave.) Crescent St. (Agnon St. to Andover St.)	\$736,967	\$221,237	\$515,730	<ul style="list-style-type: none"> ■ Ghilotti Bros., Inc. \$288,739.50 ■ Bay Cities Paving & Grading, Inc. \$294,280.25 ■ Inter-Coastal, a Joint Venture (MBE/LBE) \$330,465.68 ■ Esquivel Grading & Paving, Inc. (MBE/LBE) \$338,554.50 ■ Golden Bay/A. Nakano, JV. (MBE/LBE) \$358,227.75 	Ghilotti Bros., Inc. \$288,739.50
7042E	De Haro St. (Division St. to 15th St., 16th St. to 18th St., and Southern Heights Ave. to 24th St.) Arkansas St. (16th St. to 18th St.)	\$768,523	\$230,711	\$537,812	<ul style="list-style-type: none"> ■ Stacy & Witbeck, and Esquivel (MBE/LBE) \$698,657.08 ■ Bay Cities Paving & Grading, Inc. \$717,402.77 ■ Inter-Coastal, a Joint Venture (MBE/LBE) \$721,493.02 ■ Ghilotti Bros., Inc. \$736,978.80 	Stacy & Witbeck, and Esquivel (MBE/LBE) \$698,657.08

Job Order	Project Limits	Eligible Cost	State Funds (30.02%)	Local Match (*)	Bidders & Bid Amount	Selected Contractor
7044E	17th Ave. (North End to Geary Blvd.) 14th St. (Market St. to Buena Vista Terrace) Vallejo St. (Front St. to Kearny St.)	\$424,553	\$127,451	\$297,102	<ul style="list-style-type: none"> ■ Bay Cities Paving & Grading, Inc. \$385,956.50 ■ Esquivel Grading & Paving, Inc. (MBE/LBE) \$431,042.00 ■ Ghilotti Bros., Inc. \$462,377.50 ■ Inter-Coastal, a Joint Venture (MBE/LBE) \$463,142.50 ■ Golden Bay/A. Nakano, JV. (MBE/LBE) \$474,061.00 	Bay Cities Paving & Grading, Inc. \$385,956.50
7045E	Rutland Street (Harkness St. to Visitation St.) Clayton St. (Ashbury St. to Market St.) Claremont St. (Grandville St. to Ulloa St.)	\$613,282	\$184,107	\$429,175	<ul style="list-style-type: none"> ■ Bay Cities Paving & Grading, Inc. \$543,962.36 ■ Ghilotti Bros., Inc. \$556,523.93 ■ Esquivel Grading & Paving, Inc. (MBE/LBE) \$557,528.95 ■ Golden Bay/A. Nakano, JV. (MBE/LBE) \$591,644.01 ■ Inter-Coastal, a Joint Venture (MBE/LBE) \$644,971.79 	Esquivel Grading & Paving, Inc. (MBE/LBE) \$557,528.95
TOTAL:		\$2,860,939	\$858,854	\$2,002,085		

(*) Funded by Sales Tax

REQUESTED AMOUNT TO BE RELEASED: \$858,854

Item 2 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of July 29, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

Item 3 - File 47-92-5

Note: This item was continued from the Finance Committee meeting on July 29, 1992.

1. The proposed ordinance would approve and adopt legal documents and authorization for a management agreement pertaining to the Polk-Bush Parking Garage.

2. The Polk-Bush Garage is a new City-owned parking facility located at the southeast corner of Bush and Polk Streets. The Parking Authority reports that the garage is scheduled to be completed by November of 1992. The garage has an estimated construction cost of \$4,125,000 and is being paid for by previously appropriated Off-Street Parking Funds. The new garage will include an annex which would be located on Bush Street. The proposed annex is currently a metered parking facility which the City leases from the San Francisco Unified School District. The Polk-Bush Garage has 132 parking spaces and is projected to serve approximately 12,500 vehicles per month. The annex will be converted from the existing 38-space metered parking facility to a 30-space monthly parking facility.

Mr. Kevin Hagerty, Director of the Parking Authority reports that the Department will submit a request to the Board of Supervisors, prior to October of 1992, to amend the Traffic Code to delete the annex portion of the parking facility from the category of a metered facility.

3. Under the proposed legal documents, the parking rates to be charged per vehicle parked in the new Polk-Bush Garage and annex are as follows:

Hourly Parking-Daytime Rates (Polk-Bush Garage Only)

<u>Time</u>	<u>Parking Charge</u>
0-1 hour	\$1.00
1-2 hours	2.00
2-3 hours	3.00
3-4 hours	4.00
4-5 hours	5.00
5-6 hours	6.00
6-7 hours	7.00
Over 7 hours	8.00

Hourly Parking-Nighttime Rates (Polk-Bush Garage Only)

6:00 p.m. to 12:00 a.m. - \$1.00 per hour
Maximum Rate - \$3.00

Monthly Parking (Annex Only)

\$80.00 per month (payable on a month-to-month basis only)

Lost Ticket Charge (Polk-Bush Garage Only)

The rate for over 7 hours of parking will be charged for each day, or part thereof, unless the garage manager can verify that a greater charge is appropriate by identifying the lost ticket from the records.

4. Under the proposed management agreement (after deduction of parking tax and payment of rent on annex property), the garage operator would receive a monthly management fee (based on the monthly cost to operate the garage) paid from the gross parking revenues and would receive five percent of the garage gross revenues exceeding \$300,000 per year. The balance of revenues would accrue to the City's Off-Street Parking Fund. The management agreement provides that the monthly management fee would be adjusted annually according to the Consumer Price Index.

Comments

1. The Parking Authority estimates that the Polk-Bush Garage and annex will initially generate gross annual revenues of approximately \$250,000 and \$25,000 respectively, for a total projected gross revenue amount of \$275,000 annually. The Parking Authority estimates that \$55,000 of the \$275,000 would be deducted for parking tax, based on a 25 percent parking tax, leaving a balance of \$220,000. The Budget Analyst notes that the Board of Supervisors has recently approved a reduction in the City's parking tax from 25 percent to 20 percent, effective January 1, 1993. Of the remaining \$220,000, the Parking Authority estimates that \$12,000 would be paid to the Unified School District for rental of the annex property, \$180,000 to \$204,000 representing 82 to 93 percent of gross revenues (after deduction of parking tax) would be paid to the garage operator in the form of a management fee, and a balance of \$4,000 to \$28,000 would accrue to the City's Off-Street Parking Fund.

2. Mr. Hagerty reports that the estimated \$180,000 to \$204,000 to be paid to the garage operator is based on the Parking Authority's projected cost to operate the garage and annex, as follows:

Parking Attendant

Monday - Saturday from 9:30 a.m. to 12 midnight
(14.5 hours @ \$20.00/hour x 313 days) \$90,770

Sunday from 11:00 a.m. to 12 midnight
(13 hours @ \$20.00/hour x 52 days) 13,520

Security Guard

Monday - Sunday from 5:00 p.m. to 12 midnight
(7 hours @ \$12.00 x 365 days) 30,660

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Utilities and Maintenance

\$3,750 per month x 12 months

\$45,000

Total

\$179,950

3. Mr. Hagerty advises that the Parking Authority is proposing to operate the Polk-Bush Garage under a management agreement as opposed to a lease agreement in order to hold open the option of refinancing the garage with government bonds at a future date. Mr. Hagerty reports that a change in the Federal Tax law in 1986 excludes the use of tax free government bonds to finance facilities that are leased on a percentage of gross receipts basis. Mr. Hagerty states that refinancing the Polk-Bush Garage with bond funds, would result in the Off-Street Parking Funds which were initially used to construct this facility being made available for future purchases of property or the construction of facilities, if needed. According to Mr. Hagerty, this refinancing option is necessary because the Parking Authority has two supplemental appropriations pending in the Mayor's Office, totalling approximately \$1.5 million, which would deplete the current balance of approximately \$1.5 million in the Off-Street Parking Fund. Mr. Hagerty adds that once the garage has been refinanced, the management agreement would have to remain in effect for the term of the bonds (approximately 24 years).

4. As noted above, under the proposed management agreement the garage operator would be paid a management fee based on the cost to operate the garage. According to Mr. Hagerty, the amount paid to the garage operator under a lease agreement would be basically the same as the amount paid under the proposed management agreement because under a lease agreement the garage operator would be paid a percentage of the gross revenue, which would be based on the cost to operate the garage.

5. Mr. Hagerty advises that the metered parking facility which is to be converted into the annex generated \$12,235 in revenues for 1991-92. Mr. Hagerty reports that the conversion of the parking facility into an annex is estimated to cost approximately \$40,000, which would be paid for by previously appropriated Off-Street Parking Funds. According to Mr. Hagerty, the merchants in the immediate vicinity of the proposed annex, strongly support the conversion of the existing metered parking facility into a monthly parking facility because loitering, vandalism and other negative street activities are currently taking place at the existing facility. A monthly rental parking facility would eliminate transient parking on a daily basis, which is viewed as a contributing factor to the negative street activities.

6. The proposed legislation only approves the legal documents and management agreement as to form and authorizes the Director of Property to seek competitive bids for the management of the Polk-Bush Garage and annex. The actual award of a management agreement will be subject to subsequent legislation to be adopted by the Board of Supervisors.

7. The Budget Analyst notes that the City expended approximately \$4,493,000 of Off-Street Parking Funds to design (\$368,000) and construct (\$4,125,000) the Polk-Bush Garage. In addition, the Department of Parking and Traffic estimates that it will cost approximately \$40,000 to convert the annex from a metered parking facility to a monthly parking facility. In return, the Department projects that \$55,000 would be paid to the City based on 25 percent parking taxes, \$12,000 per year would be paid to the Unified School District for rental of the annex property and \$180,000 to \$204,000 would be paid to the garage operator annually. This results in a balance of only \$4,000 to \$28,000 accruing to the City's Off-Street Parking Fund. As the Budget Analyst has previously noted, the Board of Supervisors recently approved a reduction in the parking taxes from 25 percent to 20 percent, effective January 1, 1993, such that the City would only receive approximately \$46,000 in annual parking taxes, or \$9,000 less than the projected \$55,000 in annual parking taxes. Furthermore, if the Polk-Bush Garage does not generate the projected gross revenues of \$275,000, the parking taxes to the City will decline further and there is a potential for either garage services being reduced (permissible under the management agreement) or the Parking Authority having to use Off-Street Parking Funds to subsidize the garage operations. Given the proposed financial arrangements, and the fact that approval of this legislation would result in the approval of new parking rates, the Budget Analyst believes approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Recommendation

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 4 - File 31-92-3

Department: Fire Department

Item: Resolution approving the immediate filling of a vacant position

Description: 0140 Chief, Fire Department

Retirement Date: July 20, 1992

Normal Refill Date: January 13, 1993

Funding Needed: \$61,339

Proposed Funding Source: Permanent Salaries - Uniform

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The Chief of the Fire Department retired on July 20, 1992 and was paid for 1,011 hours of vested sick leave and vacation at an hourly rate of \$60.67 for a total lump sum payment of \$61,339. The payment of this lump sum prevents refilling this position until January 13, 1993, unless the proposed resolution is approved. Immediate replacement of the Chief of the Fire Department is necessary to maintain continuity of all Fire Department operations.
2. The new Chief of the Fire Department was appointed by the Fire Commission effective July 21, 1992.
3. Each year the Fire Department assumes that 50 Uniform positions in command and fire suppression activities will retire. In order to provide the resources to maintain full staffing of command and fire suppression activities, the Fire Department increases their salaries budget by an amount equal to the total of the average amount of lump sum sick leave/vacation pay that will be paid to the 50 retirees. This funding is then used as a source of funds to refill the Uniform positions in order to maintain full staffing for command and fire suppression activities. The

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budget for refilling the 50 positions is the proposed source of funds for the immediate filling of the Chief of the Fire Department position.

Recommendation: Approve the proposed resolution.

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Item 5 - File 31-92-4

Department: Fire Department

Item: Resolution approving the immediate filling of a vacant position

Description: 0150 Deputy Chief, Fire Department

Retirement Date: July 3, 1992

Normal Refill Date: January 1, 1993

Funding Needed: \$52,360

Proposed Funding Source: Permanent Salaries - Uniform

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The Deputy Chief of the Fire Department retired on July 3, 1992 and was paid for 1,025 hours of vested sick leave and vacation at an hourly rate of \$51.08 for a total lump sum payment of \$52,360. The payment of this lump sum prevents refilling this position until January 1, 1993, unless the proposed resolution is approved. The Deputy Chief serves as the Acting Chief in the Chief's absence. The regular duties of the Deputy Chief include administration of the Fire Department Bureaus of Suppression, Fire Prevention, Fire Investigation and Training.
2. The new Deputy Chief was appointed by the new Chief of the Fire Department (see Item 4 of this report) effective July 21, 1992.
3. Each year the Fire Department assumes that 50 Uniform positions in command and fire suppression activities will retire. In order to provide the resources to maintain full staffing of command and fire suppression activities, the Fire Department increases their salaries budget by an amount equal to the total of the average amount of lump sum sick leave/vacation pay that will be paid to the 50

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retirees. This funding is then used as a source of funds to refill the Uniform positions in order to maintain full staffing for command and fire suppression activities. The budget for refilling the 50 positions is the proposed source of funds for the immediate filling of the Deputy Chief position.

Recommendation: Approve the proposed resolution.

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Item 6 - File 68-92-4.1

Department: Mayor's Office Housing (MOH)

Item: Resolution approving procedures for allocating up to \$8,206,000 in Federal HOME Program grant funds from the U. S. Department of Housing and Urban Development (HUD) and authorizing the Mayor to encumber and authorize release of these grant funds from HUD. (HUD will release funds directly to program recipients designated by MOH in its role as administrator of the grant program.) Direct and indirect costs associated with the grant will be paid by Community Development Block Grant (CDBG) Funds.

Amount: Not to exceed \$8,206,000

Description: The HUD HOME Program is authorized under Title II of the National Affordable Housing Act of 1990 (Public Law Number 101-625), which provides funds for the acquisition, rehabilitation and development of affordable housing. In March, 1992, the Board of Supervisors authorized MOH to apply for, accept and administer a HUD HOME Program grant of up to \$8,206,000. HOME Program grant funds will generally be used to make long term (75 years), low interest (3 percent) loans to developers of housing for low income families. HOME Program grant funds can also be loaned at zero interest for 20 years to developers that will match the HOME Program grant funds on a dollar-for-dollar basis. Loans are available to either for-profit or non-profit developers.

The \$8,206,000 HOME Program grant is one component of the Citywide housing investment plan that includes funding from several other sources of development monies including CDBG funds, the housing set-aside under the Hotel Tax Fund, any available funds from tax increment financing, the Office-Affordable Housing Production Program, and other special funds targeted for affordable housing. The Citywide housing investment plan encourages the development of affordable housing in a manner consistent with the priorities set forth in the City's Comprehensive Housing Affordability Strategy (CHAS) and with the goals of the Residence Element of the Master Plan adopted by the City's Planning Commission. The HOME Program grant funds of \$8,206,000 would be expended as follows:

- 1) Approximately \$2 million (24.4 percent) would be set aside for new construction of single room occupancy hotels and other forms of group housing;

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- 2) Approximately \$2.2 million (26.8 percent) would be used for acquisition and rehabilitation of non-profit owned rental housing. There would be an emphasis on multiple-bedroom housing for very low and extremely low income households;
- 3) Approximately \$1 million (12.2 percent) would finance the rehabilitation of private investor-owned rental housing, primarily multi-unit, multiple bedroom housing;
- 4) Approximately \$1 million (12.2 percent) would be made available to rehabilitate both non-profit and for-profit owned group housing, including single room occupancy hotels and board and care facilities;
- 5) Approximately \$2 million (24.4 percent) would constitute a pool of funds set aside for contingencies and for housing investment opportunities which are unforeseeable at the present time.

In previously authorizing the MOH to apply for, accept and administer the \$8,206,000 HOME Program grant, the Board of Supervisors directed the MOH to prepare and submit allocation criteria and procedures to be used for allocating HOME Program grant funds to the Board of Supervisors for approval prior to the encumbrance of HOME Program grant funds by the MOH. The proposed resolution would approve the Procedures for Allocating Home Program Funds. The written procedures are contained in the Board of Supervisors file for this item. These procedures were prepared and submitted by the MOH in order to obtain approval from the Board of Supervisors to encumber HOME Program grant funds. The procedures are summarized as follows:

- The stated purpose of the written Procedures for Allocating Home Program Funds is to establish uniform criteria and processes for implementation of the City's program to allocate HOME Program grant funds and to describe the responsibilities of agencies and individuals involved in the administration of the City's program.
- The Mayor's Office of Housing and the San Francisco Redevelopment Agency (SFRA), Housing Production Division shall jointly administer the City's program to allocate the HOME Program grant funds.
- By March 30th of each year, an Annual Report shall be submitted to the Board of Supervisors, setting forth an accounting of all the HOME Program grant funds

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allocated by the City during the previous calendar year. The report shall identify how HOME Program grant funds were distributed among the different categories of housing needs identified in the City's housing strategy and describe the number, location, unit-mix, and non-City funds leveraged for each project funded for the period.

- The Mayor, in consultation with the Director of MOH and the Director of SFRA shall allocate HOME Program grant funds along with other locally administered funds based on the categories of housing development and specific target populations identified by the Comprehensive Housing Affordability Strategy (CHAS) as the City's priority affordable housing needs. The allocation of funds shall be governed by the priorities for investment set out in the City's CHAS and by the goals of the Residence Element of the Master Plan. In allocating funds, the MOH shall take into account the use restrictions associated with each funding source, such as those limiting use of Hotel Tax funds to development of housing for seniors, and the varying potential for leveraging non-City monies associated with each funding source.
- The MOH shall authorize commitment of HOME Program grant funds to specific projects upon recommendation of the Affordable Housing Development Loan Committee consisting of the Director of MOH, the Director of SFRA, and the Director of the Mayor's Office of Economic Planning and Development (MOEPD). The Loan Committee shall review and recommend approval or denial of all applications for loans.
- Specific criteria for evaluation of HOME Program grant funded project applications are contained in Subsection D of Section II of the written procedures.
- All units assisted with HOME Program grant funds shall be occupied by households with incomes that do not exceed sixty percent (60%) of median income for the Bay Area adjusted for family size. (According to the HUD Income Limits table in the CHAS, the median income for a family of four is \$49,900. Therefore, the income of a family with four members that occupies a unit assisted with HOME Program grant funds cannot exceed 60 percent of \$49,900, or \$29,940.)
- The total charge for rent, utilities and related services charged by the developers for rental units funded by

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HOME Program grant funds cannot exceed thirty percent (30%) of a family's income. (In the previous example for a family of four, the total charge for rent, utilities and related services cannot exceed 30 percent of \$29,940, or \$8,982 annually or \$748.50 monthly.)

- The affordability restrictions regarding (1) income of occupants of rental units developed with loans of HOME Program grant funds and (2) total charge for rent, utilities and related services must remain in effect for the term of the loan (either 75 years or 20 years).
- The Director of MOH shall determine how much interest shall be charged on the 75 year loans funded by HOME Program grant funds. These loans may be interest bearing or interest free, depending on the financial feasibility of the project. The Director of MOH shall also determine the terms under which interest and/or principal shall be paid by a developer. Payment may be amortized or deferred to the end of the term of the loan. Deferred loans may be structured so as to require payment at the end of the term, or to be forgiven.

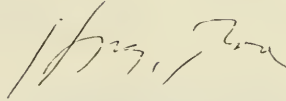
Comments:

1. The MOH expects to incur minimal indirect costs for services of the Controller's Office and for the monitoring of these grant funds. MOH anticipates that these indirect costs will be minimal because once the MOH has identified the specific housing projects to receive HOME Program grant funds, the grant monies will be disbursed by HUD directly to the projects. Such indirect costs will be paid from CDBG funds.

2. The written procedures for allocating the HOME Program grant funds allow the Director of MOH sole discretion in determining if interest is to be paid on the 75 year loans, the rate of interest to be paid and the terms for payment of interest and principal. The Director of MOH is also allowed the discretion to determine that payments can be amortized or deferred to the end of the loan or can be forgiven altogether. Because of the delegation of such discretion, we believe that approval of the proposed resolution is a policy matter for the Board of Supervisors.

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Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

AUG 10 1992

SAN FRANCISCO
PUBLIC LIBRARYCALENDARMEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, AUGUST 12, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 38-92-21. [Acceptance of Gift] Resolution accepting one gift valued at \$23,889, from the Northern California Grant Makers, for use at various recreation centers, after-school, latch-key, day camp and teen programs for the Recreation and Park Department. (Recreation and Park Department)
 - (b) File 132-92-6. [Grant - Foundation Funds] Resolution authorizing the San Francisco Art Commission to permit Intersection for the Arts to continue to act as non-profit fiscal agent for the San Francisco Art Commission Gallery and to continue sponsorship of the Gallery's Exploration: City Site Program and in that capacity to apply for, accept and expend a \$7,500 George Frederick Jewett Foundation grant for City Site Programming; indirect costs of ten percent fiscal agent fee in the amount of \$750.00 will be paid to Intersection for the Arts from the grant. (Art Commission)
 - (c) File 146-92-4.2. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Bureau of Epidemiology and Disease Control, Tuberculosis Control Division, to apply for, retroactively, and accept and expend a supplemental to a grant of \$268,923, which includes indirect costs in the amount of \$21,761 based on twenty percent of salaries, from the Department of Health and Human Services for the Tuberculosis Control Project; providing for ratification of action previously taken; companion measure to Files 146-92-4 and 146-92-4.1. (Department of Public Health)

- (d) File 146-92-18.1. [Grant – State Funds] Resolution authorizing the Department of Public Health, Division of Mental Health and Substance Abuse, to accept and expend a grant of \$25,000, which includes indirect costs in the amount of \$1,190, based on five percent of the total award from the California Department of Developmental Services for mental health treatment for dually diagnosed Asian Children; companion measure to File 146-92-18. (Department of Public Health)
- (e) File 146-92-33.1. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Epidemiology and Disease Control, Sexually Transmitted Disease Control, to apply for, accept and expend a grant of \$700,468, which includes indirect costs in the amount of \$7,798 based on twenty percent of salaries, from the Centers for Disease Control, for a research study to evaluate HIV counseling models; companion measure to File 146-92-33. (Department of Public Health)
- (f) File 146-92-34.1. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Epidemiology and Disease Control, Sexually Transmitted Disease Control Division, to accept and expend a grant of \$378,916, which includes indirect costs of \$27,766 based on twenty percent of personnel salaries from the Centers for Disease Control, for the provision of alternative Sexually Transmitted Disease services; companion measure to File 146-92-34. (Department of Public Health)
- (g) File 146-92-55. [Grant – State Funds] Resolution authorizing the Department of Public Health, Laguna Honda Hospital, to accept and expend a Hazard Mitigation grant of \$215,000, and a required match in the amount of \$215,000, which is one hundred percent of the total award, from the California State Office of Emergency Services in behalf of Federal Emergency Management Agency (FEMA) for construction costs; waiving indirect costs; companion measure to File 133-90-1. (Department of Public Health)
- (h) File 146-92-56. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend an augmentation grant of \$66,547, which includes \$8,564 in indirect costs based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the AIDS Surveillance and Expanded Initiatives Project. (Department of Public Health)
- (i) File 146-92-57. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to apply for a continuation grant of \$6,250,000, which includes indirect costs based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the AIDS Prevention Project. (Department of Public Health).

ACTION:

REGULAR CALENDAR

2. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 8/5/92)

ACTION:

3. File 25-92-22. [Contracting Out City Services – Police Department] Resolution concurring with the Controller's certification that janitorial services can be practically performed for San Francisco Police Department facilities by private contractor for lower cost than similar work services performed by City and County employees. (Police Department)
(Cont'd from 7/29/92)

ACTION:

4. File 97-92-42. [Emergency Medical Services Fund] Ordinance amending Administrative Code, by amending Section 10.117-73, to require that the Emergency Medical Services Fund be continued using penalty revenues pursuant to Government Code Sections 76000 and 76104, to require that the moneys in such fund be payable only for the purposes specified in Government Code Section 76104, and to make changes pursuant to recent amendments to Health and Safety Code Sections 1797.98a through 1797.98g. (Municipal Court)
(Cont'd from 7/29/92)

ACTION:

5. File 97-92-43. [Automated Fingerprint Identification Fund] Ordinance amending Administrative Code, by amending Section 10.117-108, to establish the Automated Fingerprint Identification Fund pursuant to Government Code Section 76102, to require that the moneys in such fund be payable only for the purposes set forth in Government Code Section 76102, and to renumber Charter Section 6.311 to 6.306. (Municipal Court)
(Cont'd from 7/29/92)

ACTION:

6. File 97-92-43.1. [Disbursement of the additional penalties] Resolution providing for the disbursement of the additional penalties assessed in criminal cases pursuant to Government Code Section 76000, establishing a Courthouse Construction Fund pursuant to Government Code Section 76100, establishing an Automated Fingerprint Identification Fund pursuant to Government Code Section 76102, continuing an Emergency Medical Services Fund pursuant to Government Code Section 76104, and imposing an additional penalty on all parking offenses to support the Courthouse Construction Fund pursuant to Government Code Section 76000; companion measure to File Nos. 97-92-42, 97-92-43 and 97-92-44. (Municipal Court)
(Cont'd from 7/29/92)

ACTION:

7. File 97-92-44. [Courthouse Construction Fund] Ordinance amending Administrative Code, by amending Section 10.117-35, to rename the "Courthouse Temporary Construction Fund" the "Courthouse Construction Fund", to require that surcharges on filing fees in the Municipal and Superior Courts and penalty assessments provided in Government Code Section 76000 be deposited in such fund, and to require that the moneys deposited in such fund be used only for the purposes set forth in Government Code Sections 76000, 76100 and 76238. (Municipal Court)
(Cont'd from 7/29/92)

ACTION:

8. File 97-92-44.1. [Courthouse Construction Fund] Resolution renaming the Courthouse Construction Fund and continuing the surcharge on filing fees in Civil and Probate actions in the Superior Court and in civil actions in the Municipal Court as provided in Government Code Section 76238 and Section 10.117-35 of the San Francisco Administrative Code, to assist in the acquisition, rehabilitation, construction, and financing of courtrooms or of a courtroom building or buildings containing facilities necessary or incidental to the operation of the justice system in the City and County of San Francisco; companion measure to File 97-92-44.1. (Municipal Court)
(Cont'd from 7/29/92)

ACTION:

9. File 127-92-4. [Dog Licenses] Ordinance amending the Municipal Code, Part III (Revenue and Business Regulations) by deleting Sections 215 through 219 and 222 to 223 inclusive and amending Article 1 of the Health Code by adding Sections 41.15 through 41.25, to require every person owning, keeping and controlling any dog over the age of four months to vaccinate said dog against rabies and to obtain a license for said dog requiring every person procuring a young dog from any animal shelter to obtain certificate for said young dog and setting forth exceptions and penalties. (Supervisor Migden)
(Transferred from City Services Committee 7/21/92 - Fiscal Impact)

ACTION:

10. File 68-92-4.1. [Home Program] Resolution approving procedures for allocating Home Program Funds, and authorizing the Mayor of the City and County of San Francisco to encumber and authorize release of a grant of Home Program Funds from the U.S. Department of Housing and Urban Development for a total amount not to exceed Eight Million, Two Hundred Six Thousand Dollars (\$8,206,000). Direct and indirect costs associated with the acceptance of these grant funds will be paid by Community Development Block Grant Funds. (Mayor's Office of Economic Planning and Development)
(Cont'd from 8/5/92)

ACTION:

11. File 65-92-12. [Lease of Property] Ordinance authorizing and approving lease of City-owned property at 1800 Oakdale Avenue (Southeast Community Facility, northwest corner of Phelps Street and Oakdale Avenue) to Economic Opportunity Council of San Francisco, a non-profit corporation. (Real Estate Department)

ACTION:

12. File 60-92-4.1. [Ballot Argument] Ballot argument (First Draft) in favor of bond measure concerning seismic strengthening of unreinforced masonry buildings.
(Supervisor Hsieh)

ACTION:

13. File 60-92-4.2. [Ballot Argument] Ballot argument (First Draft) in favor of bond measure concerning construction and reconstruction of Fire Department facilities.
(Supervisor Conroy)

ACTION:

14. File 60-92-4.3. [Ballot Argument] Ballot argument (First Draft) in favor of bond measure concerning construction and reconstruction of correctional facilities.
(Supervisor Gonzalez)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

IMPORTANT
HEARING NOTICE

SF Public Library (2)
Document Section

D 0313

25
12
CITY AND COUNTY



Public Library, Documents Dept.

OF SAN FRANCISCO

ATTN: Gerry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 10, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: August 12, 1992 Finance Committee Meeting

DOCUMENTS DEPT.

AUG 12 1992

SAN FRANCISCO
PUBLIC LIBRARY

Item 1a - File 38-92-21

Department: Recreation and Park Department

Item: Resolution authorizing the acceptance of a gift of cash for use by the Recreation and Park Department.

Amount: \$23,889

Source of Gift: Northern California Grant Makers

Description: The proposed resolution would authorize the acceptance of a cash gift of \$23,889 from the Northern California Grant Makers to be used by the Recreation and Park Department at various recreation centers, for after-school, latch-key, day camp and teen summer programs.

Comments: 1. Mr. Joel Robinson of the Recreation and Park Department advises that this grant of \$23,889 is actually the sum total of multiple grant awards. Mr. Robinson reported that the Directors of 55 of the City Department's 107 recreational centers applied for grants not exceeding \$550 from the Northern California Grant Makers. Grants were awarded to 53 of the 55 applicants based on the project description submitted by each of the Directors in the grant application.

2. The gift proceeds would be used by the Directors at each of the individual recreational centers to enhance their summer programs through the purchase of art and other necessary supplies for special projects. The Recreation and Park summer programs serve primarily youth between the ages of 8 to 12 years.

3. The acceptance of this gift would incur no additional costs for maintenance for the Recreation and Park Department.

Recommendation: Approve the proposed resolution.

Item 1b - File 132-92-6

Department: Art Commission

Item: Resolution authorizing the San Francisco Art Commission (a) to continue to have Intersection for the Arts serve as the non-profit fiscal agent for the San Francisco Art Commission Gallery and (b) to continue sponsorship of the Gallery's "Exploration: City Site Program," and in that capacity to apply for, accept and expend a \$7,500 George Frederick Jewett Foundation grant for City Site programming; indirect costs of a 10 percent fiscal agent fee in the amount of \$750 will be paid to Intersection for the Arts from the grant.

Grant Amount: \$7,500

Grant Period: September 1, 1992 to June 30, 1993

Source of Funds: George Frederick Jewett Foundation

Project: San Francisco Art Commission Gallery's "Exploration: City Site" Program

Description: In June, 1992, the Board of Supervisors tabled a resolution authorizing the San Francisco Art Commission to permit Intersection for the Arts to continue to act as the non-profit fiscal agent for the San Francisco Art Commission Gallery and to continue sponsorship of the Gallery's "Exploration: City Site" Program; and in that capacity to apply for, retroactively, accept and expend a continuation private grant of \$7,500 for "City Site" programming from the Lydia Ebert Foundation (LEF Foundation); including indirect costs of 10 percent or \$750, for a fiscal agent fee to be paid to Intersection for the Arts from the Art Commission's Public Arts Fund (File 132-92-5). This previous resolution was tabled because the LEF Foundation notified the Art Commission that the LEF Foundation did not approve this request for funding.

On May 4, 1992, the Art Commission approved Resolution No. 0504-92-222, authorizing Intersection for the Arts, on behalf of the Art Commission, to apply for, accept and expend \$7,500 of grant funds from the George Frederick Jewett Foundation for the "Exploration: City Site" Program in fiscal year 1992-93. The Art Commission now requests that the Board of Supervisors approve the proposed resolution to have Intersection for the Arts apply for, accept and expend a new grant of \$7,500 on behalf of the City for "City Site" programming from the George Frederick Jewett Foundation.

BOARD OF SUPERVISORS
BUDGET ANALYST

The Art Commission's "Exploration: City Site" Program has been in existence since 1986, providing opportunities for Bay Area artists to present large-scale, site-generated artistic installations in an undeveloped, highly visible site adjacent to the Art Commission's Gallery at 155 Grove Street. By providing the financial means and an experimental framework, "City Site" enables artists to develop skills in the fields of public art and urban design. Presently, the Art Commission Gallery is the only facility in the City with an outdoor site dedicated to temporary large scale site works.

This would be the first time that the "City Site" Program has sought funding from the George Frederick Jewett Foundation, which does not make contributions directly to any governmental agency. Under the proposed resolution, Intersection for the Arts would apply for, accept and expend the proposed \$7,500 grant on behalf of the City since it is the policy of the Jewett Foundation not to provide funding directly to governmental agencies. Intersection for the Arts, a non-profit agency, has acted as the sponsor and fiscal agent for the San Francisco Art Commission Gallery's "City Site Program" since May, 1991.

The proposed grant would be used exclusively to pay for artists' materials, honoraria and indirect costs related to the projects of three artists commissioned under "Exploration: City Site '92."

Budget:	Artists' Honoraria:	
	2 @ \$1,000	\$2,000
	Artists' Materials	4,750
	Indirect Costs	<u>750</u>
	Total "City Site" Expenses	
	Paid for by Proposed Grant	\$7,500

Required Match: None.

Indirect Costs: \$750 or 10 percent of the proposed grant amount of \$7,500.

Comments: 1. Ms. Anne Meisner, Director of the Art Commission's Gallery, advises that the application deadline for the proposed grant is August 15, 1992, and it is anticipated that the George Frederick Jewett Foundation will respond to the grant request in late August, 1992. However, the Board of Supervisors cannot approve this resolution until August 17, 1992. Therefore, the proposed resolution should be amended to enable the Art Commission, through Intersection for the Arts, to retroactively apply for the proposed grant.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. Attached is the Grant Application Information Form, as completed by the Art Commission.
3. The Art Commission has completed a Disability Access Checklist for the proposed grant, which is in the file.

Recommendations: 1. Amend the proposed resolution to enable the Art Commission, through Intersection for the Arts, to retroactively apply for the proposed grant.

2. Approve the proposed resolution, as amended.

File Number _____

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: San Francisco Arts Commission Gallery

Contact Person: Anne Meissner, Director Telephone: 554-9682

Project Title: "Exploration: City Site"

Grant Source: George Frederick Jewett Foundation

Proposed (New) / Continuation Grant Project Summary:

Established in 1986, City Site provides rare opportunities for Bay Area artists to present large-scale site-generated installations in an undeveloped, highly visible lot adjacent to the Gallery, located in Civic Center in the heart of the City's Performing Arts Complex. City Site's 1992 competition will be like those of the past with one exception. The Arts Commission wishes to expand the competitive base for applicants in 1992. Project budgets will be allowed to exceed the \$6,000.00 award provided by City Site. This provision will allow applicants to apply other outside grant monies or in-kind contributions to their project; it will increase funding required for interdisciplinary collaborative works; and it will challenge applicants to formulate ideas for the site without budget constrictions. As in the past, three outside jurors will review letters of intent from applicants; selecting up to five proposals for further development. It is hoped that three projects will merit awards.

Amount of Grant Funding Applied for: \$7,500.00

Maximum Funding Amount Available: \$7,500.00

Required Matching Funds: None

Number of Positions Created and Funded: None

Amount to be Spent on Contractual Services: \$7,500.00

Will Contractual Services be put out to Bid? yes -- call for entries to artists/limited competition

Grant Application Information Form
Page 2

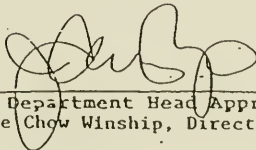
Term of Grant: Sept. 1, 1992 through June 30, 1993

Date Department Notified of Available funds: Sept. 1, 1992

Application Due Date: August 15, 1992

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Letter of intent sufficient for application (see attached).



Department Head Approval
Joanne Chow Winship, Director of Cultural Affairs

Item 1c - File 146-92-4.2

Department: Department of Public Health (DPH)
Bureau of Epidemiology and Disease Control

Item: Resolution authorizing the Department of Public Health to apply for retroactively and accept and expend a supplemental grant of \$268,923, which includes indirect costs in the amount of \$21,761 based on 20 percent of salaries, from the Department of Health and Human Services for the Tuberculosis Control Project and providing for ratification of action previously taken.

Supplemental Grant Amount: \$268,923

Source of Funds: U.S. Department of Health and Human Services, Centers for Disease Control (CDC)

Grant Period: April 1, 1992 to January 31, 1993

Grant Projects: Tuberculosis (TB) Prevention and Control/Elimination Project and HIV-Related TB Prevention Project

Description: The Board of Supervisors previously approved a resolution (File 146-92-4.1) authorizing the DPH to accept and expend a grant of \$508,860 for the period April 1, 1992 to January 31, 1993 for the Tuberculosis (TB) Prevention and Control/Elimination Project (\$248,603) and HIV-Related TB Prevention Project (\$260,257). The DPH now reports that it will receive an additional supplemental grant of \$268,923 for these project services. Of the \$268,923, \$100,813 would be used to fund HIV-Related TB Prevention Project services and \$168,110 would be used to fund Prevention and Control/Elimination Project services.

The TB Prevention and Control/Elimination Project and the HIV-Related TB Prevention Project provide diagnostic treatment, surveillance, screening, case funding, registry and medical consultation, to assist in the reduction and control of tuberculosis with respect to the residents of San Francisco. Project objectives include (1) the assurance of adequate treatment of active TB cases by daily observed therapy, (2) the identification and treatment of infection in substance abuse clinics where HIV infection increases risk and (3) assistance in the reduction and ultimate elimination of tuberculosis through intensified outreach.

Project Budgets: A. TB Prevention and Control/Elimination Project

	Original Grant <u>Budget</u>	Proposed Grant <u>Supplemental</u>	<u>Total</u>
<u>Personnel</u>			
1 Class 2808 Sr. Disease Control Investigator	\$37,483	-	\$37,483
3 Class 2585 Health Workers	71,045	-	71,045
1 Class Clerk Typist	25,198	-	25,198
1 Management Information System Specialist	-	\$30,900	30,900
1 Class 2320 Registered Nurse	-	29,120	29,120
1 Class 2806 Disease Control Investigator	-	24,403	24,403
1 Class 2808 Sr. Disease Control Investigator	<u>37,500 *</u>	<u>-</u>	<u>37,500</u>
(*Salary and Fringe Benefits)			
Subtotal - Salaries	\$171,226	\$84,423	\$255,649
Bilingual Pay	2,230	1,167	3,397
Premium Pay	875	522	1,397
Fringe Benefits (27% of Personnel excluding the \$37,500 salary/fringe benefits for one Class 2808 Sr. Disease Control Investigator)	36,106	-	36,106
Fringe Benefits(27% of Salaries)	<u>-</u>	<u>22,795</u>	<u>22,795</u>
Subtotal - Personnel	\$210,437	\$108,907	\$319,344
<u>Operating Expenses</u>			
Travel	\$5,000	\$3,750	\$8,750
Training	-	165	165
Staff Mileage	2,600	-	2,600
Bus Tokens for Patients	3,200	-	3,200
Laboratory Supplies	-	30,473	30,473
Office Supplies	<u>-</u>	<u>250</u>	<u>250</u>
Subtotal	\$10,800	\$34,638	\$45,438
<u>Equipment</u>			
Personal Computer (2)	-	\$5,000	\$5,000
Modem (2)	-	990	990
Software	<u>-</u>	<u>1,690</u>	<u>1,690</u>
Subtotal	-	\$7,680	\$7,680

BOARD OF SUPERVISORS
BUDGET ANALYST

	Original Grant <u>Budget</u>	Proposed Grant <u>Supplemental</u>	<u>Total</u>
<u>Indirect Costs</u> - (20% of Salaries excluding \$37,500 salary/fringe benefits allocated for one Class 2808 Sr. Disease Control Investigator)	\$27,366	-	\$27,366
<u>Indirect Costs</u> (20% of Salaries)	-	\$16,885	16,885
Subtotal	\$27,366	\$16,885	\$44,251
TOTAL	\$248,603	\$168,110	\$416,713

B. HIV Related TB Prevention Project

Personnel			
1 Class 2808 S. Disease Control Investigator	\$37,483	-	\$37,483
1 Class 2587 Health Worker III	24,137	-	24,137
1 Class 2587 Health Worker III	-	\$24,137	24,137
.5 Class 1446 Secretary II	15,242	-	15,242
1 Class 1424 Clerk Typist	25,198	-	25,198
Subtotal - Salaries	\$102,060	\$24,137	\$126,197
Premium Pay	245	242	487
Fringe Benefits (27% of Salaries)	27,556	6,517	34,073
Subtotal - Personnel	\$129,861	\$30,896	\$160,757
<u>Operating Expenses</u>			
Bus Tokens for Patients & Passes	\$ 5,833	\$500	\$6,333
Client Incentives (Food)	500	900	1,400
Travel	-	3,880	3,880
Staff Mileage	-	900	900
Rent	-	1,250	1,250
Office Supplies	2,312	600	2,912
Medical Supplies	2,311	1,900	4,211
Pharmaceuticals (INH and B65)	2,311	-	2,311
Subtotal	\$13,267	\$9,930	\$23,197
<u>Equipment</u>			
Telephone (2)	-	\$750	\$750
Answering Machine	-	400	400
FAX Machine	-	924	924
Subtotal	-	\$2,074	\$2,074

BOARD OF SUPERVISORS
BUDGET ANALYST

	Original Grant <u>Budget</u>	Proposed Grant <u>Supplemental</u>	<u>Total</u>
<u>Contractual</u>			
4 Project Site Half-Time Nurse (\$24,167 x 4)	\$96,668	-	\$96,668
1 Registered Nurse (Full Time)	<u>-</u>	<u>\$53,037</u>	<u>53,037</u>
Subtotal	\$96,668	\$53,037	\$149,705
<u>Indirect Costs</u> (20% of Salaries)	<u>\$ 20,461</u>	<u>\$ 4,876</u>	<u>\$ 25,337</u>
TOTAL	\$260,257	\$100,813	\$361,070

Required Match: None

Indirect Costs: \$21,761 (\$16,885 for the TB Prevention and Control/Elimination Project plus \$4,876 for the HIV Related TB Prevention Project.

- Comments:**
1. As noted above, the DPH reports that the \$37,500 allocated in the original grant budget for the salary and fringe benefits of one Class 2808 Senior Disease Control Investigator was excluded from the calculations for indirect costs (20% of salaries). According to the DPH, the indirect costs were calculated in this manner because the Department's original proposal submitted to the CDC had requested a Public Health Advisor contract position in the amount of \$54,000. After being allocated only \$37,500 for this position, the DPH requested and received approval from the CDC for the \$37,500 to be used to pay for the salary and fringe benefits of one Senior Disease Control Investigator.
 2. The Electronic Information Processing Steering Committee (EIPSC) has reviewed and approved the proposed data processing equipment for the TB Prevention and Control/Elimination Project.
 3. DPH applied for the proposed grant in mid-April of 1992 and therefore the proposed resolution would authorize the DPH to apply for the grant funds retroactively. As noted above, the proposed supplemental grant has a start-up date of April 1, 1992. However, the DPH reports that the Department has not, as yet, incurred any expenditures against these grant funds.
 4. Attached is a Summary of Grant Request, as prepared by DPH, for the proposed grant.

BOARD OF SUPERVISORS
BUDGET ANALYST

1
Memo to Finance Committee
August 12, 1992

5. The DPH has completed a Disability Access Checklist, which is in the file.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Grantor CENTERS FOR DISEASE CONTROL
 Contact Person Marsha D. Driggins/Grants
 Address 255 E. Paces Ferry Rd N.E. Rm 300
Mail Stop E14, Atlanta, GA 30305
 Amount Requested \$ 268,923
 Term: From 4-1-92 To 1-31-93

Division COMMUNITY PUBLIC HEALTH SERVICES
 Section BEDC/TB Control
 Contact Person Frances Taylor/Gisela Schecter M.
 Telephone 206-8524 (Dr. Schecter)
 Application Deadline _____
 Notification Expected _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a ~~new~~ ~~continuation~~ ~~alteration~~ (augmentation to a) grant in the amount of \$ 268,923 from the period of 4-1-92 to 1-31-93 to provide assistance in the reduction and control of tuberculosis ~~XXXXXX~~

II. Summary: (Concise summary; need abstract; number of groups served; services and providers)

Diagnostic treatment, surveillance, screening, case finding, registry and medical consultation have been supported by this project for 10 years. The project serves all communities in San Francisco. This supplemental will also assist in upgrading laboratory services and diagnosis and research.

III. Outcomes/Objectives:

1. To assure adequate treatment of cases by daily observed therapy. 2. To identify and treat infection in Substance Abuse Clinics where HIV infection increases risk. 3. Assist in the reduction of tuberculosis by intensified outreach. 4. Laboratory upgrades for rapid diagnosis and research.

IV. Effects of Reduction or Termination of These Funds:

Daily observed therapy, screening and preventive therapy for infection in substance abuse sites would have to be discontinued. Intensified outreach, screening, educational activities, improved patient care and laboratory upgrades and research would not be realized.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	432,390	498,444	268,923	+268,923	-0-	
Personnel	269,173	323,143	139,803	+139,803	-0-	
Equipment	6,417	-0-	9,754	+ 9,754	-0-	
Contract Svc.	93,173	104,000	53,037	+ 53,037	-0-	
Mat. & Supp.	6,350	7,799	33,223	+ 33,223	-0-	
Facilities/Space	-0-	-0-	1,250	+ 1,250	-0-	
Other /travel	15,004	12,685	10,095	+ 10,095	-0-	
Indirect Costs	42,373	49,997	21,761	+ 21,761	-0-	

VI. Data Processing

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
(none included above)	-0-	-0-	-0-	-0-	-0-	

VII. Personnel

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
F/T CSC	8.0	8.0	4.0	4.0	-0-	
P/T CSC	0.5	0.5	0	0	-0-	
Contractual	2.0	2.0	1	1	-0-	

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None

Will grant funded employees be retained after this grant terminates? If so, how?
Yes, by placement in ad valorem positions.

*VIII. Contractual Services: Open Bid _____ Sole Source X _____
 **Contractual funds will be work ordered to CSAS which will then contract via sole source for service delivery

Item 1d - File 146-92-18.1

Department: Department of Public Health (DPH),
Division of Mental Health and Substance Abuse

Item: Resolution authorizing the Department of Public Health, Division of Mental Health and Substance Abuse, to accept and expend a State grant of \$25,000, which includes indirect costs of \$1,190, based on 5 percent of the total award, for mental health treatment for Asian children.

Grant Amount: \$25,000

Grant Period: July 1, 1992 to June 30, 1993

Source of Funds: California Department of Developmental Services

Project: Play Groups for Dually Diagnosed Asian Children

Description: The Board of Supervisors previously approved a resolution authorizing the Department of Public Health to apply for a new grant of \$25,000 from the California Department of Developmental Services (File 146-92-18). In the interim, the DPH has been notified of the awarding of the \$25,000 by the State, so the DPH now requests authorization to accept and expend these funds. The purpose of the proposed grant of \$25,000 is to provide specialized play groups for 12 dually diagnosed Asian children. Dually diagnosed children are those who are both developmentally delayed and have diagnosable mental health problems. A play group is a therapy group consisting of a therapist, a co-therapist, and a group of children aged five to ten, which involves both structured and spontaneous play.

The overall goals of the specialized play groups are to: (1) identify dually diagnosed Asian children in need of improvement of their social skills; (2) improve the social competency at school for at least 75 percent of the project's participants; and (3) improve the social competency at home for at least 65 percent of the project's participants.

Budget:	<u>Personnel</u>	<u>FTE</u>	<u>Salary</u>
	Social Worker	0.5	\$18,030
	Fringe Benefits (23.6%)		<u>4,262</u>

Total Personnel Costs	\$22,292
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Operating Expenses

Local Travel @ \$.25/mi. x 400 miles	\$100
Playroom Supplies for Play Groups	718
Testing Materials for Evaluation	200
Staff Training (for intern and/or Social Worker)	<u>500</u>
Total Operating Expenses	<u>\$1,518</u>
<u>Total Direct Costs</u>	\$23,810
<u>Indirect Costs</u>	<u>\$ 1,190</u>
Total Project Budget	\$25,000

Required Match: None.

Indirect Costs: \$1,190, based on 5 percent of direct costs of \$23,810 (see Comment No. 1).

- Comments:**
1. Ms. Nancy Presson of the DPH advises that indirect costs will be approximately 5 percent of total direct costs of \$23,810, or \$1,190, rather than 5 percent of the total grant award of \$25,000, as stated in the proposed resolution. Therefore, the proposed resolution should be amended in the title and body to state that indirect costs in the amount of \$1,190, based on 5 percent of direct costs of \$23,810, are included in the grant.
 2. Although the contract which has been signed between the DPH and the California Department of Developmental Services states that the commencement date of the proposed grant is July 1, 1992, DPH has not yet received the \$25,000 grant. Ms. Presson reports that as of the writing of this report, no expenses have been incurred for this project by DPH.
 3. The half-time Social Worker noted in the budget will act as therapist and a Clinical Social Worker intern will act as co-therapist for the play groups, according to Ms. Presson.
 4. Attached is a copy of the Summary of Grant Application, as prepared by DPH.
 5. A copy of the Disability Checklist for Grant Applicants is included in the file.

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Memo to Finance Committee
August 12, 1992

- Recommendations:**
1. Amend the proposed resolution to state that indirect costs in the amount of \$1,190, based on 5 percent of direct costs of \$23,810, are included in the grant.
 2. Approve the proposed resolution, as amended.

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Grantor Dept. of Developmental Disabilities

Contact Person _____

Address _____

Amount Requested \$ 25,000

Term: From July 1, 1992 To June 30, 1993

Health Commission N/A

Division Mental Health & Substance Abuse

Section Child, Adolescent & Family

Contact Person Nancy Presson

Telephone (415)- 255-3632

Application Deadline April 6, 1992

Notification Expected May 1, 1992

Board of Supervisors: Finance Committee March 25, 1992

Full Board March 30, 1992

I. Item Description: Request to accept and expend a new (continuation) (allocation) (augmentation to a grant in the amount of \$ 25,000 from the period of 7/1/92 to 6/30/93 to provide child socialization groups to the residents of San Francisco services.

II. Summary: (Concise summary, read additional: a number of groups served, services and provision)

Provide specialized play groups to young Asian children who are both developmentally delayed and have mental health problems.

III. Outcomes/Objectives: A. To identify dually diagnosed (DD/MD) Asian children in need of improvement in social skills. B. To improve social competency in their school environment for at least 75% of the project's participants. C. To improve social competency at home for at least 65% of the project's participants.

IV. Effects of Reduction or Termination of These Funds:

Groups to serve twelve (12) dually diagnosed children will not be offered.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Org.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	- 0 -	- 0 -	25,000	+25,000	None	
Personnel	- 0 -	- 0 -	23,810	+23,810	None	
Equipment						
Contract Svc.						
Mat. & Supp.						
Facilities/Space						
Other						
Indirect Costs	- 0 -	- 0 -	1,190	+ 1,190		

VI. Dup. Processing

(time and cost avoided)

VII. Personnel

	F/T CSC	P/T CSC	Contractual
F/T CSC			
P/T CSC			
Contractual			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

No, unless revenue generation through third parties supports positions.

VIII. Contractual Services: Open Bid _____ Sole Source _____ (If not used, attach Request for Proposals Form)

Item 1e - File 146-92-33.1

Department: Department of Public Health (DPH),
Community Public Health Services, Epidemiology and
Disease Control,
Sexually Transmitted Disease (STD) Control Division

Item: Resolution authorizing the Department of Public Health to
apply for, accept and expend a grant of \$700,468, which
includes indirect costs in the amount of \$7,798, based on 20
percent of salaries, from the Centers for Disease Control for a
research study to evaluate HIV counseling models.

Grant Amount: \$700,468

Grant Period: September 30, 1992 to September 29, 1993

Source of Funds: Centers for Disease Control (CDC)

Project: STD Research - Current Versus Enhanced HIV Counseling

Description: The Board of Supervisors approved a resolution (File 146-91-70) in September, 1991 to authorize the DPH to apply for, accept and expend a grant of \$560,641, including indirect costs of \$11,000, based on 20 percent of personnel costs, from the CDC for a research project to evaluate HIV counseling models, and to authorize the expenditure of grant funds to establish and finance Civil Service positions for the provision of HIV risk reduction services. This \$560,641 represented funding for the first phase of a five-year program from the CDC.

The primary goal of the five-year program is to evaluate the effectiveness of an enhanced counseling model through studies conducted among sexually transmitted disease (STD) clinic clients.

During the first phase of the project, funding was used to hire and train staff, negotiate a contract between the DPH and the University of California, San Francisco, and pilot test one behavioral intervention model with STD Clinic clients.

The proposed grant (marking the beginning of the second phase of the study, which is expected to last a total of four years) will be used to fund additional pilot testing of several other behavioral intervention models with STD Clinic clients; to make a final determination of the particular behavioral intervention model which will be used with patients seen in a STD Clinic and to compare their behavior changes with

patients seen in a STD Clinic who receive a standard single HIV counseling session; and to fund pilot testing of the behavioral intervention model that is chosen. San Francisco is one of five sites to implement this two-phased study, and San Francisco's portion of the study is expected to involve one site (the San Francisco City Clinic located at 356 7th Street) and approximately 400 STD clients during the grant period of September 30, 1992 to September 29, 1993.

Only current recipients of STD Prevention and Training Center funds (of which the City's STD Control Division is one) are eligible to apply for this particular grant. Of the proposed grant of \$700,468, a total of \$524,484 will be spent on contractual services with UCSF, which is required by the CDC as a condition for receiving the proposed grant. One Civil Service personnel position (1450 Executive Secretary) will be created and funded by the proposed grant. If grant funds expire, this Civil Service position will be terminated.

Program Budget:	<u>Personnel</u>	<u>FTE</u>		
	Secretary	1.0	\$38,991	
	Fringe Benefits @ 25 %		<u>9,655</u>	
	Total Personnel			\$48,646
	<u>Travel</u>			
	4 out-of-State meetings pertaining to the STD Study			4,400
	<u>Equipment</u>			
	1 Shredder			2,000
	<u>Materials and Supplies</u>			
	Office Supplies		500	
	Computer Supplies		500	
	Clinical Supplies		1,000	
	Educational Supplies		<u>3,200</u>	
	Subtotal of Materials and Supplies			5,200

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Operating Expenditures

Printing (Reports, questionnaires, narratives, other correspondence)	\$2,050	
Postage	650	
Brochures & other materials for participants	5,000	
Telephone	5,100	
Rental Space	29,260	
Stipend provided for client participation	43,000	
Non-Cash incentives for participating clients	8,000	
Laboratory Costs	13,880	
Translation Services (quest- ionnaires and consent forms into Spanish)	<u>1,000</u>	
Total Operating Expenditures		\$107,940
Subtotal Non-Contract Services		<u>\$168,186</u>

Contract Services

<u>Personnel</u>	<u>FTE</u>	
Project Coordinator	1.0	\$59,742
Intervention Coord.	1.0	49,110
Study Workers	3.0	97,176
Study Counselors	1.5	63,450
Data Manager	1.0	39,402
Data Entry Clerk	0.5	13,899
Nurse Practitioner	0.5	25,321
Admin. Assistant	0.15	<u>5,450</u>
Subtotal		\$353,550
Fringe Benefits @ 26%		<u>91,923</u>
Total Personnel	8.65	\$445,473

Travel

8 out-of-state meetings pertaining to the STD Study	8,800	
Staff travel -local	<u>1,800</u>	
Subtotal Travel		<u>10,600</u>

Subtotal Contract Costs	\$456,073
Indirect Contractual Costs (15% of Total Contract)	<u>68,411</u>
Total Contract Costs	<u>\$524,484</u>

Total Direct Costs (Non-Contract + Contract Costs	692,670
Total Indirect Costs @ 20% of non-contract salaries	<u>7,798</u>
Total Budget	\$700,468

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Required Match: None

Indirect Costs: \$7,798, or 20 percent of non-contract salaries (excluding fringe benefits)

- Comments:**
1. Ms. Wendy Wolf of the DPH reports that if these funds are not received, the result would be the end of the research project.
 2. The application for the proposed grant was submitted on June 18, 1992. Therefore, the proposed resolution should be amended to authorize the DPH to apply for the proposed grant retroactively.
 3. On June 16, 1992, the Board of Supervisors approved a resolution (File 146-92-33) authorizing the Department of Public Health to apply for a grant of \$650,705. Subsequently, the Department of Public Health applied for the proposed grant of \$700,468. This proposed grant of \$700,468 is to replace the previously approved amount of \$650,705. Therefore, the Department of Public Health is requesting that the Board of Supervisors rescind the previously approved grant application for \$650,705 (File 146-92-33) and approve the proposed resolution to apply for, accept and expend \$700,468 (File 146-92-33.1). The proposed resolution should be amended to rescind this previous grant application (File 146-92-33).
 4. The Grant Application Information Form, as prepared by the DPH, is attached.
 5. The DPH has completed a Disability Access Checklist, which is in the file.
 6. As previously noted, the prior year's grant was funded in the amount of \$560,641. This proposed request of \$700,468 represents an increase of \$139,827, or approximately a 24.9 percent increase.

- Recommendations:**
1. Amend the proposed resolution in both the body and the title to authorize the DPH to apply for the proposed grant retroactively.
 2. Amend the proposed resolution in both the body and title to rescind File 146-92-33, authorizing the Department of Public Health to apply for a grant of \$650,705.
 3. Approve the proposed resolution as amended.

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BUDGET ANALYST

Division Community Public Health
Section Disease Control/STD Control
Contact Person Wendy Wolf
Telephone 864-8100
Application Deadline 6/18/92
Notification Expected 8/18/92
Supervisors: Finance Committee _____
Full Board _____

Summary: (Concepts/theory; need addressed; number + people served; services and provision)
is is the second year of a 5 year research study. The first year of the study
cused on hiring staff, negotiating the contract, and developing and pilot testing
veral behavioral interventions designed to enhance the HIV counseling given to STD
inic clients. The second year of the study will involve pilot testing several more
terventions and then developing both an enhanced and a standardized counseling model
for use during the duration of the study.

Effects of Reduction or Termination of These Funds:
 TD clinic clients will not receive the most effective risk-reduction counseling for IV and will be at greater risk for exposure to HIV.

	Col. A	Col. B	Col. C	Col. D	Rec. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount		560,641	700,468	+ 139,827		
Personnel		69,300	48,646	- 20,654		
Equipment		4,350	2,000	- 2,350		
Contract Svc.		418,807	524,484	+ 105,677		
Mat. & Supp.		8,300	5,200	- 3,100		
Facilities/Space		0	0	0		
Other		48,884	112,340	+ 63,456		
Indirect Costs		11,000	7,798	- 3,202		
Indirect costs are based on 20% of personnel salaries, excluding fringes						
F1, D212 Progressive						
(costs included above)		3,650	0	- 3,650		

7T CSC	<u>2.0</u>	<u>1.0</u>	- <u>1.0</u>	
7T CSC	<u>0</u>	<u>0</u>	<u>0</u>	
Contractual	7.5	8.65	+ 1.15	

Will grant funded employees be retained after this grant terminates? If so, How?

VIII. Contractual Services: Open Bid _____ Sole Source X (If sole source, attach justification for exemption from competition)

Item 1f - File 146-92-34.1

Department: Department of Public Health (DPH),
Community Public Health Services

Item: Resolution authorizing the Department of Public Health to accept and expend a continuation grant of \$378,916, which includes indirect costs of \$27,766 based on 20 percent of personnel salaries, from the Centers for Disease Control for the provision of alternative Sexually Transmitted Disease services.

Grant Amount: \$378,916

Grant Period: September 28, 1992 to September 27, 1993

Source of Funds: Centers for Disease Control (CDC)

Project: Community-Based Sexually Transmitted Disease Services Research Project

Description: The Board of Supervisors previously approved a resolution authorizing the DPH to apply for a continuation Federal grant in the amount of \$420,858 for the Community-Based Sexually Transmitted Disease Services Research Project. In the interim, the CDC has notified the DPH that it will be awarded a grant amount of \$378,916, or \$41,942 less than the \$420,858. This is the final year of a three-year grant program.

The Community-Based Sexually Transmitted Disease Services Research Project is aimed at providing convenient, accessible and culturally sensitive sexually transmitted disease services in a community-based setting. The proposed grant funds would be used by the DPH to provide community-based Sexually Transmitted Disease (STD) services and outreach services targeted at the Bayview Hunters Point area. The DPH is responsible for administering and coordinating the project, as well as providing some direct STD treatment services to project clients. The DPH is proposing to continue to contract with Bay View Hunters Point Foundation to (1) provide neighborhood street-based outreach services for adolescents and adults who are at risk for STD's (including HIV) and in need of family planning or prenatal services, (2) recruit individuals to seek health care at community-based STD clinics, facilitate attendance at these clinics, and provide on-going follow-up and education and (3) provide data collection support for the community-based STD clinics, including patient registration, maintenance of medical records, labeling of lab slips,

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answering phones, scheduling follow-up and referral appointments and data entry of the medical records data.

**No. of Persons
to be Served:**

Approximately 3,600 client visits

Project Budget:

<u>Personnel</u>	<u>FTE</u>		
Physician Assistant	1.0	\$55,452	
Health Program Coordinator II	1.0	51,960	
Health Worker III	1.0	<u>31,416</u>	
Subtotal - Salaries		\$138,828	
Fringe Benefits		<u>36,095</u>	
Subtotal	3.0		\$174,923
<u>Operating Expenses</u>			
Travel		\$1,275	
Staff Mileage		1,440	
Laboratory Supplies		12,200	
Office Supplies		1,500	
Clinical Supplies		1,750	
Pharmaceuticals		1,700	
Computer Supplies		1,000	
Educational Supplies		4,720	
Rent		5,040	
Xeroxing/Printing		1,200	
Postage		<u>100</u>	
Subtotal			31,925
<u>Contractual Services</u>			
Bayview Hunters Point Foundation			144,302
<u>Indirect Costs</u>			<u>27,766</u>
Total			\$378,916

Required Match:

None

Indirect Costs:

\$27,766 (20% of salaries)

Comments:

1. The DPH advises that it will continue to contract with Bay View Hunters Point Foundation on a sole source basis, due to the need for continuity of the project and because the Foundation is intimately familiar with the goals, objectives and methodology of the project.
2. The DPH reports that when the grant funds are terminated for this project the grant funded positions will also be terminated.

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Memo to Finance Committee
August 12, 1992

3. Attached is a Summary of Grant Request, as prepared by the DPH, for the proposed grant funds.

4. The DPH has completed a Disability Access Checklist which is in the file.

Recommendation: Approve the proposed resolution.

Division Community Public Health
Section Disease Control/STD Control
Contact Person Wendy Wolf
Telephone 864-8100
Application Deadline 6/12/92
Notification Expected 8/12/92
Supervisors: Finance Committee _____
Full Board _____

II. Summary (Coordinators need addressed: number + groups served; services and providers)

III. Outcomes/Objectives:

IV. Effects of Reduction or Termination of These Funds:

V. Financial Information:

** Indirect Costs are based on 20% of personnel salaries, excluding fringes

VI. Data Processing

(now included above) 0 0 0 0

VII. Barrenness

F/T CSC	<u>1.5</u>	<u>2.5</u>	<u>3.0</u>	+ .5	<u> </u>
P/T CSC	<u>0</u>	<u>.5</u>	<u>0</u>	- .5	<u> </u>
Contractual	4.0	4.0	4.0	0	<u> </u>

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

No.

*VIII. Contractual Services: Open Bid _____ Sole Source X (If sole source, attach Request for Proposals Form)

Item 1g - File 146-92-55

Department: Department of Public Health (DPH)
Laguna Honda Hospital (LHH)

Item: Resolution authorizing DPH to accept and expend a new Federal Hazard Mitigation grant with a required match of \$215,000, which is 100 percent of the total award, and waiving indirect costs.

Grant Amount: \$215,000

Grant Period: Beginning 180 days from acceptance of the grant and ending 360 days from acceptance of the grant, or a six month period.

Source of Funds: Federal Emergency Management Agency (FEMA) through the California State Office of Emergency Services

Project: Emergency Generator Relocation

Description: In October, 1990, the Board of Supervisors authorized the Chief Administrative Officer (CAO) to apply for Hazard Mitigation Grant funding from the FEMA for City projects to mitigate against future hazards due to earthquakes (File 133-90-2). The CAO submitted an application for various projects totalling \$17,739,789 which included \$215,000 to relocate LHH's emergency electricity power generator.

Structural engineers from the Office of Statewide Health Planning and Development recommended that LHH relocate the emergency electricity power generator from its temporary location on a truck trailer mounted on wooden blocks to a permanent anchorage in a building. In order to comply with the State's recommendation and based on the Bureau of Architecture's preliminary estimate of costs for the project, LHH has accumulated funding totalling \$539,000 over several years for a Capital Improvement Project to relocate the emergency electricity power generator. However, the lowest bid for construction was \$476,000 which when added to construction change orders totalling approximately \$44,000 increases the total construction cost for the project to \$520,000 and the total project cost to \$754,000 (see the project budget below for details). The proposed FEMA grant would fund the \$215,000 increase in the project cost from the preliminary estimate of \$539,000 to the revised estimate including the low bid for construction costs and the construction change orders of \$754,000.

Project Budget: The Bureau of Architecture estimates the project costs for relocation of the emergency electricity power generator as follows:

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$215,000	\$305,000	\$520,000
Construction Management	0	25,000	25,000
Design and Constr. Admin.	0	90,000	90,000
Project Management	0	22,000	22,000
Inspections	0	25,000	25,000
Permits and Testing	0	12,000	12,000
Contingencies	<u>0</u>	<u>60,000</u>	<u>60,000</u>
Project Total	\$215,000	\$539,000	\$754,000

Required Match: 100 percent of FEMA funding. \$215,000 of the \$305,000 budgeted for the City's cost for construction in the Capital Improvement Project budget is considered to be the 100 percent match to the \$215,000 FEMA grant.

Indirect Costs: Not allowed by FEMA. Therefore, the proposed resolution would authorize DPH to waive indirect costs.

Comments:

1. A Disability Access Checklist, which was submitted by the DPH, is in the file.
2. The "Summary of Grant Request" as prepared by DPH is attached.
3. According to LHH, the term of the grant specified by FEMA is intended to insure that FEMA funds are promptly used for a project. LHH indicates that completing the project by December, 1992, will comply with the terms of the grant, as detailed above.
4. Through a competitive bid process, the Bureau of Architecture selected the lowest of five bidders, the local construction firm of General Engineering and Machine Works. Construction began in March, 1992, and is expected to be completed by December, 1992. General Engineering and Machine Works is neither a Minority Business Enterprise (MBE) nor a Women Business Enterprise (WBE).

Recommendation: Approve the proposed resolution.

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BUDGET ANALYST

Item No. Health Commission - Summary of Grant Request

Rev. 4/10/90

Grantor via Office of Emergency Services, St. of CA Division 85 Laguna Honda Hospital
 Contact Person Charles F. Wynne Section 06 Operations
 Address Office of Emergency Services Contact Person Lawrence J. Funk
2800 Meadowview Road, Sac., CA 95822 Telephone 415-759-2367
 Amount Requested \$ 215,000 Application xx Decision Rec'd 05-92 award notif.
 Term: From Start=Accept+180 days To Complete=Start+360 days Notification Expected
 Health Commission Board of Supervisors: Finance Committee
 Full Board

I. Item Description: Request to apply for (accept and expend) a (new) (modification) (allocation) (reconstruction) (e)
 (Circle appropriate words) grant in the amount of \$ 215,000 from the period of Accept+180 dys to start+360 dys
 to provide relocation and seismic anchoring of existing emergency services
generator.

II. Summary: (Concise summary of project - include purpose, need, services and provisions)

Provide construction of an addition to an existing building to house a relocated
 existing emergency 1.1 megawatt diesel generator.

III. Outcomes/Objectives:
 Relocation and seismic upgrading will prevent overturning and loss of Laguna Honda
 Hospital's electrical power after an earthquake.

IV. Effects of Reduction or Termination of These Funds:

Grant is one-time capital expenditure.

V. Financial Information:

	Col. A Two Years Ago NA	Col. B Past Year/Orig. NA	Col. C Proposed 215,000	Col. D Change NA	Rec. Match 215,000	Approved by
Grant Amount						
Personnel			0		0	
Equipment			0		0	
Contract Svc.			0		0	
Mat. & Supp.			0		0	
Facilities/Space			0		0	
Other WORK ORDER TO PUBLIC WORKS			215,000		215,000	
Indirect Costs			0			

VI. Data Processing

(Costs included above)

VII. Personnel

	NA	NA	NA	0
F/T CSC				
P/T CSC				
Contractual				

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 Grant solely funds hard construction costs. Hospital expects to expend greater than
 required match prior to completion of project. Public Works to be Work Order receiving dept.
 Will grant funded employees be retained after this grant terminates? If so, How?
 NA

VIII. Contractual Services: Open Bid 29 Sole Source (If sole source, attach Request for Proposal Form)

Item 1h - File 146-92-56

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing DPH to accept and expend an augmentation grant of \$66,547, which includes \$8,564 in indirect costs based on 20% of personnel costs, to continue funding the AIDS Surveillance and Expanded Initiatives Project.

Grant Amount: \$66,547

Grant Period: August 1, 1992 to December 31, 1992

Source of Funds: Department of Health and Human Services, Centers for Disease Control (CDC)

Project: AIDS Surveillance and Expanded Initiatives Project

Description: In July, 1991 the Board of Supervisors approved a resolution authorizing DPH to accept and expend a continuation Federal grant to fund the third and final year of the AIDS Surveillance and Expanded Initiatives Project, (File 146-91-31.1). However, instead of terminating the project, the CDC decided to incorporate the activities of the AIDS Surveillance and Expanded Initiatives Project into their larger AIDS Surveillance Project which is funded on a January through December funding cycle. Therefore, the proposed five month funding for this augmentation grant would support the AIDS Surveillance and Expanded Initiatives activities from the end of its current funding cycle on July 31, 1992 until the beginning of its new cycle on January 1, 1993. The proposed augmentation grant would continue funding for the following two projects:

National Death Index (NDI) Match- The NDI Match project matches the National Death Index, an index of death certificates categorized by cause of death, with the San Francisco DPH Case Registry to evaluate the completeness of reporting and to obtain information on the underlying cause of death for reported persons with AIDS.

Surveillance Evaluation of AIDS Reporting Completeness (SEARCH)- The SEARCH project proposes to assess the completeness of AIDS case reporting, and to assess the spectrum of HIV related disease in San Francisco during 1990 by analyzing computerized outpatient visit records from the San Francisco Primary Care database.

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August 12, 1992

Budget:

NDI Project

<u>Personnel</u>	<u>FTE</u>	
Disease Control Investigator	1.0	\$16,104
Programmer Analyst	0.2	<u>3,655</u>
Personnel Subtotal		\$19,759
Fringe Benefits @ 26%		<u>5,137</u>
Total Personnel	1.2	\$24,896

Materials and Supplies

Office Supplies	300
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Operating Costs

Postage	100
Telephone	660
Rent	958
Reproduction Costs	<u>125</u>
Total Other	1,843

Subtotal Project	27,039
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Indirect Costs (20% of Personnel excluding Fringe Benefits)	<u>3,952</u>
Total Project	<u>\$30,991</u>

SEARCH Project

<u>Personnel</u>	<u>FTE</u>	
Epidemiologist	1.0	\$16,620
Disease Control Investigator	0.4	<u>6,442</u>
Personnel Subtotal		\$23,062
Fringe Benefits @ 26%		<u>5,996</u>
Total Personnel	1.4	\$29,058

Materials and Supplies

Office Supplies	250
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<u>Travel</u>	188
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Operating Costs

Telephone	550
Rent	798
Postage	<u>100</u>
Total Operating Costs	1,448

Project Subtotal	30,944
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Indirect @ 20% of Personnel excluding Fringe Benefits	<u>4,612</u>
Project Total	<u>\$35,556</u>

Grand Total of NDI Project and SEARCH Project	\$66,547
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Indirect Costs: \$3,952 for the NDI Project and \$4,612 for the SEARCH Project, based on 20 percent of Personnel excluding Fringe Benefits, for a total of \$8,564.

Required Match: None

No. of Persons Served: The proposed grant would be used to continue an analysis of the trend of the AIDS disease throughout the general population of San Francisco.

Comments: 1. As noted above, this augmentation grant will provide funding from August 1, 1992 until December 31, 1992 to bridge the gap between the current funding cycle ending on July 31, 1992, and the new funding cycle beginning on January 1, 1993. The DPH advises that if grant funds are terminated or reduced, personnel would be temporarily terminated or reduced until the project is incorporated into the CDC's AIDS Surveillance Project in January, 1993. The proposed grant augmentation includes a total of 2.6 FTEs in the Department of Public Health.

2. The "Summary of Grant Request" as prepared by DPH is attached.

3. Mr. Tim Piland of the AIDS Office reports these grant funded services have been effective since August 1, 1992. Therefore the proposed resolution should be amended to authorize DPH to accept and expend these grant funds retroactively.

Recommendation: Amend the proposed resolution to authorize DPH to accept and expend these grant funds retroactively.

Approve the proposed resolution as amended.

Health Commission - Summary of Grant Request

Rev. 4/10/90

Dept of Health and Human Services
Centers for Disease Control

Contact Person Edwin Dixon
Address CDC; 255 East Paces Ferry Rd.
Atlanta, GA 30305

Amount Requested \$ 66,547
Term: From 8/1/92 To 12/31/92
Health Commission _____ Board of Supervisors: Finance Committee _____
Full Board _____

Division CO/AIDS Div
Section AIDS Office
Contact Person Tim Piland
Telephone 554-9132
Application Deadline none
Notification Expected n/a

I. Item Description: Request to ~~(apply for)~~ (accept and expend) a ~~(new)~~ (continuation) ~~(renewal)~~ (augmentation to a) grant in the amount of \$ 66,547 from the period of 8/1/92 to 12/31/92 to provide continuation of AIDS Surveillance /Expanded Initiative services.
(Circle appropriate words)

II. Summary: (Concise summary of need addressed; services to be provided; services and providers)

Centers for Disease Control (CDC) has decided to fund these activities through its larger AIDS Surveillance Project which is funded on a January through December funding cycle; therefore, this 5-month funding "bridge" will support the Expanded Initiative activities from the end of its funding cycle on 7/31/92 till the beginning of its new cycle on 1/1/93. Please see attachment for a brief description of the Expanded Initiative activities.

III. Outcomes/Objectives:

The program allows AIDS Office to monitor its effectiveness in collecting complete morbidity and mortality data in San Francisco.

IV. Effects of Reduction or Termination of These Funds:

Reduction or termination of these funds would impair our ability to evaluate the completeness of AIDS reporting in San Francisco and decrease our AIDS health care planning significantly.

V. Financial Information:	8/1/90- 7/31/91	8/1/91- 12/31/92	8/1/92- 12/31/92	Rec. Match	Approved by
	12-month Col. A	12-month Col. B	17-month Col. C		
	Two Years Ago	Past Year/Orig.	Proposed	Change	
Grant Amount	<u>198,098</u>	<u>199,177</u>	<u>265,724</u>	<u>66,547</u>	<u>none</u>
Personnel	<u>130,515</u>	<u>145,920</u>	<u>199,874</u>	<u>53,954</u>	
Equipment	<u>3,652</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Contract Svc.	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Mat. & Supp.	<u>1,800</u>	<u>1,920</u>	<u>2,470</u>	<u>550</u>	
Facilities/Space	<u>8,662</u>	<u>6,128</u>	<u>7,884</u>	<u>1,756</u>	
Other	<u>32,915</u>	<u>22,047</u>	<u>23,770</u>	<u>1,723</u>	
Indirect Costs	<u>20,554</u>	<u>23,162</u>	<u>31,726</u>	<u>8,564</u>	

VI. Data Processing

(Cost includes none)

VII. Personnel

F/T CSC	<u>2.0</u>	<u>3.0</u>	<u>3.0</u>	<u>+ 0</u>	
P/T CSC					
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None.

Will grant funded employees be retained after this grant terminates? If so, how?
No.

*VIII. Contractual Services: Open Bid none Sole Source none (Circle source, attach narrative for Expanded Form)

Item 1i - File 146-92-57

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing DPH to apply for a continuation grant, which includes indirect costs, based on 20 percent of salary costs to continue funding the AIDS Prevention Project.

Grant Amount: \$6,250,000

Grant Period: January 1 through December 31, 1993

Source of Funds: U.S. Department of Health and Human Services, Centers for Disease Control (CDC)

Project: AIDS Prevention Project

Description: These funds would continue to support a wide array of AIDS prevention programs. The goal of the AIDS Prevention Project is to prevent the transmission of HIV/AIDS infection in San Francisco. The services and programs that would be conducted with funding from this grant would include:

- Counseling and Testing
- Partner Notification and Referral
- Health Education and Risk Reduction
- Minority Initiatives
- Public Information
- Early Intervention (with special emphasis on establishing linkages with Counseling and Testing activities)
- Genital Ulcer Disease Study
- Evaluation

Project Budget: According to DPH, a budget and detailed description of AIDS Prevention activities funded by this grant would be submitted with the request to accept and expend the proposed grant.

Required Match: None

Indirect Costs: 20 percent of salary costs.

Comments:

1. A Disability Access Checklist, which was submitted by the DPH, is in the file.
2. The proposed grant of \$6,250,000, represents an increase of \$150,865 or 2.5 percent, over the 1992 grant of \$6,099,135.
3. The DPH advises that if grant funds are terminated or reduced, personnel would be terminated or reduced

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accordingly. In 1992, approximately 51.65 full-time equivalent positions were funded by this grant.

4. The "Summary of Grant Request" as prepared by DPH is attached.

Recommendation: Approve the proposed resolution.

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Item No. Health Commission - Summary of Grant Request

Rev. 4/10/90

Dept of Health : Human Svcs
 Grantor Centers for Disease Control
 Contact Person E. Taylor/J. Stubbs
 Address CDC; 255 East Paces Ferry Rd
Atlanta, GA 30305
 Amount Requested \$ 6,250,000
 Term: From 1/1/93 To 12/31/93
 Health Commission Board of Supervisors: Finance Committee
 Full Board

Division - CO/AIDS Div
 Section AIDS Office
 Contact Person Tim Piland
 Telephone 554-9132
 Application Deadline 9/18/92
 Notification Expected 11/15/92

I. Item Description: Request to (apply for) ~~(expand and expand)~~ a ~~(new)~~ (continuation) ~~(allocation)~~ ~~(supplement)~~ ~~(extension)~~ grant in the amount of \$ 6,250,000 from the period of 1/1/93 to 12/31/93 to provide continued funding for AIDS Prevention Project services.

II. Summary: (Concise summary; need additional; number + groups served; services and providers)

These funds will continue to support (along with additional State and Local funding) a wide array of AIDS prevention programs including Counseling and Testing services, Partner Notification and Referral services, Health Education and Risk Reduction services, and Public Information services.

III. Outcomes/Objectives:

To provide AIDS prevention services to the residents of San Francisco in order to prevent the transmission of HIV.

IV. Effects of Reduction or Termination of These Funds:

The efforts of the AIDS Office to limit the transmission of HIV in San Francisco would be severely impaired if we did not apply for this funding.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	6,032,973	6,099,135	6,250,000	+ 150,865		
Personnel	2,066,590	2,574,965				
Equipment	13,810	16,982	1993	Budget is in development; will be		
Contract Svc.	3,413,269	2,582,671				
Mat. & Supp.	56,146	115,206		provided with Accept and Expend request.		
Facilities/Space	114,288	154,075				
Other	33,244	246,510				
Indirect Costs	335,626	408,726				

VI. Data Processing

(costs included above) 7,000 16,982

VII. Personnel

F/T CSC Approx: 46.00 51.65
 P/T CSC
 Contractual

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

*VIII. Contractual Services: Open Bid Sole Source (if sole source, attach Request for Information Form)

Contractual method of selection information will be included in the Accept and Expend request 36

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Item 2 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of August 5, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

Item 3 - File 25-92-22

Note: This item was continued from the July 29, 1992 Finance Committee Meeting.

Department: Police Department

Item: Resolution concurring with the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Janitorial Services for all nine District Police stations, the Police Academy, the Pistol Range, the Juvenile Division, and the Golden Gate stables.

Description: The Controller has determined that contracting for these janitorial services in fiscal year 1992-93 would result in estimated savings as follows:

	Highest Salary Step	Lowest Salary Step
<u>DPW Operated Costs</u>	\$740,230	\$617,815
<u>Contracted Service Cost</u>	<u>280,000</u>	<u>280,000</u>
<u>Estimated Savings for Contracted Service Cost</u>	\$460,230	\$337,815

Comments: 1. The above DPW Operated Cost estimate reflects amounts submitted by the Department of Public Works (DPW) to the Controller and certified by the Controller. The Contracted Service Cost estimate is based on the approximate lowest price bid received from the three janitorial contract bidders on July 27, 1992.

2. However, Mr. Ara Manasian of the Purchasing Department states that the above estimates are based on information obtained by the Controller while negotiations were still in progress. According to Mr. Manasian, bid proposals from the janitorial contractors are still being evaluated, and a final determination of the low responsive bidders has not yet been made. Mr. Manasian indicates that the low bidders appear to be Custodial Janitorial Service and Building Maintenance and Township Building Services and there is likely to be two bidders awarded the proposed janitorial services contracts.

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3. At its meeting of July 29, 1992, the Finance Committee requested Mr. Art Martinez, proprietor of Custodial Janitorial Service and Building Maintenance, to provide additional information concerning the number of employees who would provide services to the Police Department if his firm received the contract, and to specify the wage rates and health benefits which those employees would receive. Mr. Martinez has informed the Budget Analyst that he believes it is not in his best interests to disclose this information.

4. DPW currently provides janitorial services to the Police Department. FY 1992-93 would be the first year that the Police Department would fully contract for these janitorial services.

5. According to Officer Tom Strong, of the Police Department's Accounting Office, the Police Department paid \$33,796 to the Department of Public Works to provide janitorial services during the period of July 1, 1992 to July 31, 1992. This money was paid with money from the Police Department's FY 1992-93 Building and Repair budget. This was done to prevent a lapse in service as the Police Department was still in the process of selecting a private contractor. Mr. Strong advises that a total of \$280,000 has been budgeted for contracted janitorial services in the FY 1992-93 budget. The \$33,796 used to provide janitorial services in July, as well as any amounts required to be expended pending selection of a contractor, will be deducted from the \$280,000 and returned to the Building and Repair account. The remaining balance will be used to pay for the contracted janitorial services.

6. Mr. Steve Lutz, Senior Analyst of the Police Department's Planning Division, reports that the scope of janitorial services provided to the Police Department would eliminate the Hibernia Bank Building facility and add the Pistol Range. In addition, Mr. Lutz stated that the Police Department has not been satisfied with the level of service currently provided by DPW. As a result, Mr. Arnie Sowell of the Controller's Office reports that the 1992-93 proposed in-house versus contracted services represent a higher level of janitorial services than what has been historically provided. Mr. Raymond Zahndt of the Department of Public Works estimates that to provide the level of service the Police Department is now requesting, the Department of Public Works would have to expand their current staff level from 6 FTE to 13 FTE. This increased level of service is reflected above in the DPW Operated Cost estimate and Contracted Service Cost estimate provided by the Controller's Office.

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7. The Finance Committee requested that the Controller estimate the costs of the Police Department providing these services directly by employing janitors. The Controller has determined that Police Department In-house Janitorial Services as compared with DPW Janitorial Services and contractual janitorial services are as follows:

	Highest Salary Step	Lowest Salary Step
<u>DPW Operated Costs</u>	\$740,230	\$617,815
<u>Police Department In-House Janitorial Services</u>	<u>726,344</u>	<u>625,934</u>
<u>Estimated Savings for Police vs DPW Janitorial Services</u>	\$13,886	(\$8,119)
<u>Police Department In-House Janitorial Services</u>	726,344	625,934
<u>Contracted Service Cost</u>	<u>280,000</u>	<u>280,000</u>
<u>Estimated Savings for Contracted Service Cost vs. Police In-House</u>	<u>\$446,344</u>	<u>\$345,934</u>

Therefore, as noted above, it would be between \$8,119 more expensive to \$13,886 less expensive for the Police Department to directly provide its own janitorial services in 1992-93 rather than through DPW. However, as also noted above, it would be approximately \$345,934 to \$446,344 less expensive for the Police Department to contract out for janitorial services than to hire in-house janitors in the Police Department. As previously discussed, changing from the current DPW janitorial services to contractual janitorial services would result in an estimated 1992-93 annualized savings ranging from approximately \$337,815 to \$460,230.

8. The Police Department reports that two of the three contract bidders, including the lowest contract bidder, are MBEs or WBEs.

9. Mr. Carl Bunch of the Mayor's Office, Employee Relations Division, advises that the City of San Francisco does not have a duty to meet and confer with the Union regarding the contracting out of services before a decision is made unless layoffs will occur as a result of the decision. However, following a decision to contract out, the City does have an obligation to meet and confer with the Union regarding the

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impact of the decision on bargaining unit employees. The Service Employees International Union's (SEIU), Memorandum of Understanding (MOU) also states that upon request by the Union and prior to the City making any final decision, the City will hold informational meetings with the Union to discuss and attempt to resolve issues relating to the contracting out of services.

10. The Controller's Office notes that the proposed Proposition J certification must be approved prior to any contract for services being awarded. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status, is attached.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) Questionnaire

Department San Francisco Police Department
Contract Services Janitorial Service
Time Period

1) Who performed services prior to contracting out?

Department of Public Works Janitorial.

2) Number of City employees laid off as a result of contracting out?

None, these employees should easily be absorbed into DPW operations.

3) Explain disposition of employees if they were laid off.
Trained janitorial employee would be able to find employment in federal, state and private sectors.

4) What percent of City employee's time is spent on services to be contracted out?

100%

5) How long have services been contracted out?

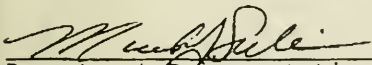
These services have been performed by the Department of Public Works; they have never been contracted out.

6) What was the first fiscal year for a Proposition J Certification?

It is anticipated to commence by 1992-1993.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The competitive bid process will insure compliance.
Present contractor at the Hibernia Bank Police Building is MBE/LBE.


Department Representative

MICHAEL J. SULLIVAN
SERGEANT OF POLICE

(Type Name, Title)

557-6720

Telephone

cxlquespj

Items 4, 5, 6, 7, and 8 - Files 97-92-42, 97-92-43, 97-92-43.1, 97-92-44, and 97-92-44.1

Note: These items were continued from the Finance Committee meeting of July 29, 1992.

Items: Ordinance amending Section 10.117-73 of the Administrative Code to require that the Emergency Medical Services Fund be continued using certain penalty revenues pursuant to Government Code Sections 76000 and 76104, to require that the moneys in such fund be payable only for the purposes specified in Government Code Section 76104, and to make changes pursuant to recent amendments to Health and Safety Code Sections 1797.98a through 1797.98g (File 97-92-42).

Ordinance amending Section 10.117-108 of the Administrative Code to establish the Automated Fingerprint Identification Fund, to require that the moneys in such fund be payable only for the purposes set forth in Government Code Section 76102, and to renumber Charter Section 6.311 to 6.306 (File 97-92-43).

Resolution providing for the disbursement of certain additional penalties assessed in criminal cases pursuant to Government Code 76000, establishing a Courthouse Construction Fund pursuant to Government Code Section 76100, establishing an Automated Fingerprint Identification Fund pursuant to Government Code Section 76102, continuing an Emergency Medical Services Fund pursuant to Government Code Section 76104, and imposing an additional penalty on all parking offenses to support the Courthouse Construction Fund pursuant to Government Code Section 76000 (File 97-92-43.1).

Ordinance amending Section 10.117-35 of the Administrative Code to rename the "Courthouse Temporary Construction Fund" the "Courthouse Construction Fund," to require that surcharges on filing fees in the Municipal and Superior Courts and penalty assessments provided in Government Code Section 76000 be deposited in such fund, and to require that the moneys deposited in such fund be used only for the purposes set forth in Government Code Sections 76000, 76100, and 76238 (File 97-92-44).

Resolution renaming the Courthouse Construction Fund and continuing the surcharge on filing fees in civil and probate actions in the Superior Court and in civil actions in the Municipal Court as provided in Government Code Section 76238 and Section 10.117-35 of the San Francisco Administrative Code, to assist in the acquisition, rehabilitation, construction, and financing of courtrooms or of a courtroom building or buildings containing facilities necessary or incidental to the operation of the judicial system in the City and County of San Francisco (File 97-92-44.1).

Description: In August, 1991 the State Legislature adopted the Trial Court Realignment and Efficiency Act ("the Act") which made a number of revisions to California law regarding the operation of California trial courts. The Act provides that certain fines and penalties levied by Municipal and Superior Courts must be deposited into one or more special funds, as specified in the California Government Code.

County Penalty Assessment in Criminal Matters

The Act requires that Counties impose a "County penalty assessment" of \$7.00 for every \$10.00 fine, penalty, or forfeiture, or fraction thereof, imposed in criminal matters, including violations of the Vehicle Code, but excluding parking offenses.

The Board of Supervisors must, by resolution, establish one or more of the five special funds authorized by the Legislature, and must also specify the amount of County penalty assessment revenues to be allocated to each fund. The \$7.00 County penalty assessment has been imposed in San Francisco since September 11, 1991.

The proposed resolution (File 97-92-43.1) would establish three special funds and direct the Municipal and Superior Courts to continue to assess the \$7.00 additional penalty for each \$10 penalty imposed in criminal matters. For each \$7.00 collected, the proposed resolution would direct the County Treasurer to deposit \$1.00 to the Courthouse Construction Fund, \$2.00 to the Emergency Medical Services Fund, and \$4.00 to the Automated Fingerprint Identification Fund.

The two special funds which could be established under the Act but which would not be established under the proposed resolution are a Criminal Justice Facilities Construction Fund and a Forensics Laboratory Fund.

Pursuant to the proposed resolution (File 97-92-43.1), two proposed ordinances would amend provisions of the Administrative Code concerning the existing Automated Fingerprint Identification Fund (File 97-92-43) and the existing Emergency Medical Services Fund (File 97-92-42) to make them consistent with current California law.

Parking Fine Surcharge (\$2.50)

The Act also requires the Board of Supervisors to impose an additional \$2.50 penalty for every parking offense where a fine is imposed, and to deposit the additional revenue in a Courthouse Construction Fund, provided that the Board of Supervisors adopts a resolution stating that the imposition of this additional penalty is necessary to the County for courthouse construction. Of each \$2.50 additional penalty for parking offenses, the County is required to transfer \$1.00 to the State Controller.

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The proposed resolution (File 97-92-43.1) would therefore also state the necessary findings regarding courthouse construction, impose the additional \$2.50 penalty for parking offenses, and direct the Treasurer to deposit the additional \$2.50 penalty to the Courthouse Construction Fund and to remit \$1.00 of each \$2.50 collected to the State Controller.

The Act also authorizes the Counties to impose another \$2.50 surcharge on parking fines for deposit to a Criminal Justice Facilities Construction Fund. However, this additional \$2.50 surcharge is not included in the proposed legislation (see Comment No. 11).

Filing Fee Surcharges in Municipal and Superior Courts

In addition, Section 76238 of the Act provides that the City and County of San Francisco may impose a surcharge of not more than \$50 on filing fees in civil and probate matters in the Superior Court, and not more than \$50 in civil proceedings in the Municipal Court, for the San Francisco Courthouse Construction Fund. The amount of the surcharge must be established by the Board of Supervisors.

Section 76238 replaced former Government Code Section 76381.5, under which San Francisco had already established the Courthouse Temporary Construction Fund. A surcharge of \$50 is currently added to filing fees in Superior Court and a surcharge of \$10 is currently added to filing fees in Municipal Court.

The proposed resolution (File 97-92-44.1) would therefore rename the "Courthouse Temporary Construction Fund" as the "Courthouse Construction Fund" and would direct the Municipal and Superior Courts to continue to collect the \$10 and \$50 surcharges on filing fees, respectively, for deposit to the Courthouse Construction Fund.

Pursuant to both proposed resolutions (Files 97-92-43.1 and 97-92-44.1) affecting the Courthouse Construction Fund, a proposed ordinance (File 97-92-44) would amend the Administrative Code to rename the "Courthouse Temporary Construction Fund" as the "Courthouse Construction Fund," and to require that revenues derived from the \$7.00 County penalty assessment in criminal cases (of which \$1.00 is proposed for the Courthouse Construction Fund), the \$2.50 additional penalty in parking cases (of which \$1.50 would go to the Courthouse Construction Fund), and the Municipal and Superior Court filing fee surcharges (\$10 and \$50, respectively) be deposited to the newly named Courthouse Construction Fund.

Comments: 1. As noted above, the fees affected by the proposed resolutions and ordinances are a \$7.00 County penalty assessment for criminal offenses, a \$2.50 additional penalty for parking offenses, a \$10

surcharge on filing fees for civil proceedings in Municipal Court, and a \$50 surcharge on filing fees for civil and probate proceedings in Superior Court. Of these fees, the only new fee would be the \$2.50 additional penalty for parking offenses, which was approved by the Municipal Court in June, 1992. However, the \$7.00 County penalty assessment which took effect in September, 1991 would be a new source of revenue to the Courthouse Construction Fund and the Automated Fingerprint Identification Fund.

Each of the three special funds which would receive the designated revenues have already been established in some form. The following table illustrates the current sources of revenue for these funds and the proposed allocations, as described above.

**Current and Proposed Revenue Allocations Under the
Trial Court Realignment and Efficiency Act**

<u>Fund</u>	<u>Current Source of Revenues</u>	<u>Proposed Source of Revenues</u>
Courthouse (Temporary)	\$10 Municipal Ct. fee	\$10 Municipal Ct. fee
Construction Fund	\$50 Superior Ct. fee	\$50 Superior Ct. fee
		\$2.50 parking fine surcharge, less \$1.00 to State Controller
		\$1.00 of the \$7.00 additional penalty in criminal cases
Emergency Medical Services Fund	\$2.00 of the \$7.00 additional penalty in criminal cases	\$2.00 of the \$7.00 additional penalty in criminal cases
Automated Fingerprint I.D. Fund	None	\$4.00 of the \$7.00 additional penalty in criminal cases

2. According to Mr. Gordon Park-Li of the Municipal Court, the \$2.50 surcharge was included in the bail increases for parking offenses which were approved by the Municipal Court in June, 1992.

3. Mr. Park-Li indicates that San Francisco has not yet established any of the special funds required to be established pursuant to the Act (although Funds were established under other sections of law), nor

has the Board of Supervisors adopted a resolution (see File 97-92-43.1) indicating how the \$7.00 County penalty assessment is to be allocated.

4. Based on revenue estimates provided by the Controller's Office and the Courts, the amounts collected in 1991-92 and the amounts expected to be allocated under the proposed resolutions and ordinances are as follows:

<u>Fund</u>	<u>Revenues Collected</u>	
	<u>Actual</u> <u>1991-92</u>	<u>Estimated</u> <u>1992-93</u>
Courthouse (Temporary)		
Construction Fund		
\$50 Superior Ct. surcharge	\$1,603,620	\$1,603,620
\$10 Municipal Ct., surcharge	278,845	278,845
Annual Interest on filing fee surcharges	400,683	<u>400,683</u>
Total filing fee revenues		\$2,283,148
\$2.50 parking fine surcharge	0	2,250,000
\$1.00 of \$7.00 additional penalty*	<u>132,281</u>	<u>163,088</u>
Subtotal	\$2,415,429	\$4,696,236
Emergency Medical Services Fund		
\$2.00 of \$7.00 additional penalty*	264,561	326,177
Automated Fingerprint I.D. Fund		
\$4.00 of \$7.00 additional penalty*	<u>529,122</u>	<u>652,353</u>
Total Estimated Revenues	\$3,209,112	\$5,674,766

* Actual allocations, including allocations for 1991-92, would be made based on the formula approved by the Board of Supervisors.

The General Fund would not receive any portion of these revenues.

5. The Act requires that the amounts allocated to the Emergency Medical Services Fund equal but not exceed the amount deposited in fiscal year 1990-91 (except for a percentage increase equal to the increase in criminal fines and penalties over fiscal year 1990-91, but not more than 10 percent).

Under the proposed resolution (File 97-92-43.1) the Emergency Medical Services Fund would continue to receive \$2.00 of the \$7.00 County penalty assessment.

The Emergency Medical Services Fund is used to reimburse physicians, hospitals, and other providers of emergency medical care for the cost of emergency medical care. The Director of Public Health is responsible for receiving and approving claims for reimbursement. However, any payments to a single provider in excess of \$5,000 must be appropriated by the Board of Supervisors.

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6. The Automated Fingerprint Identification Fund was established in San Francisco in March, 1991, when the Board of Supervisors authorized an additional penalty of \$.50 for each \$10 penalty in criminal matters. Mr. Park-Li states that the \$.50 additional penalty was never imposed because of procedural delays, and because the penalty assessment formula was modified when the Trial Court Realignment and Efficiency Act was approved in August, 1991. Therefore, no revenues have been allocated to the Automated Fingerprint Identification Fund, according to Mr. Park-Li. Under the proposed resolution (File 97-92-43.1), revenues to this Fund would come from \$4.00 of the \$7.00 additional penalty (for each \$10 collected) in criminal cases.

An Automated Fingerprint Identification Fund is required to be used to obtain and operate automated fingerprint identification equipment, to replace existing equipment, and/or to reimburse the City and County for previous expenditures for such equipment.

The SFPD's 1992-93 budgeted expenditures from the Automated Fingerprint Identification Fund total approximately \$1,746,000. The proposed budget for 1992-93 includes \$700,000 in estimated penalty assessment revenues to this Fund, as well as a revenue transfer from the General Fund of approximately \$1,046,000. Therefore, General Fund contributions could be reduced by increasing County penalty assessment allocations to the Automated Fingerprint Identification Fund under the proposed resolution (97-92-43.1).

The Administrative Code provides that expenditures from the Automated Fingerprint Identification Fund are subject to appropriation by the Board of Supervisors.

7. The existing Courthouse Temporary Construction Fund was established in 1983, and, as noted above, currently receives revenues from a \$10 surcharge on filing fees in Municipal Court and a \$50 surcharge on filing fees in Superior Court. These filing fee surcharges were authorized under State law prior to enactment of the Trial Court Realignment and Efficiency Act of 1991 (see Comment No 8).

Under the Act, a Courthouse Construction Fund is required to be used for the acquisition, rehabilitation, construction, and financing of "courtrooms, or a courtroom building or buildings containing facilities necessary or incidental to the operation of the justice system." The Administrative Code provides that expenditures from the existing Courthouse Temporary Construction Fund are to be determined by a committee comprised of Court officers, with expenditures subject to appropriation by the Board of Supervisors.

8. As previously noted, the Municipal Court is authorized to impose a surcharge of up to \$50 on filing fees in civil proceedings for the Courthouse Construction Fund. However, under the proposed resolution (File 97-92-44.1) the surcharge in Municipal Court would continue to be \$10.

The surcharge on filing fees in Superior Court was increased by \$30 from \$20 to \$50 in April, 1990. At that time, Mr. Donald Dickinson of the Superior Court reported that the increase in the surcharge was needed in anticipation of the County Courthouse Facility Capital Expenditure Bond Act of 1990, which appeared as State Proposition 150 on the November, 1990 ballot. The proposed \$200 million bond act would have provided State bond revenues for courthouse construction projects State-wide, but required a local match of 25 percent of any project costs. Although the \$30 increase in Superior Court filing fee surcharges was approved by the Board of Supervisors in April 1990, the bond measure was defeated in the November 1990 election by a vote of 73.6 percent opposed and 26.4 percent in favor. In San Francisco, the vote was 55.1 percent opposed and 44.9 percent in favor.

According to Ms. Harrison, approximately \$8.4 million of filing fee surcharge revenues have been deposited to the existing Courthouse Temporary Construction Fund since it was established in 1983. Of the \$8.4 million deposited, approximately \$1.7 million has been expended for courtroom facilities, leaving a current balance of approximately \$6.7 million, according to Ms. Harrison.

Ms. Harrison states that the Courts wish to accumulate funds to construct a County Courthouse. She indicates that representatives of the Courts have conferred with representatives of the Chief Administrative Officer concerning the feasibility of constructing new additional Courtroom facilities.

9. The Trial Court Realignment and Efficiency Act also authorizes the Board of Supervisors to establish a Criminal Justice Facilities Construction Fund or a Forensics Laboratory Fund. However, neither of these Funds would be established under the proposed legislation.

The Act provides that the Criminal Justice Facilities Construction Fund may be used for "construction, reconstruction, expansion, improvement, operation, or maintenance of county criminal justice and court facilities and for improvement of criminal justice automated information systems." The Act states that criminal justice facilities "include, but [are] not limited to, jails, women's centers, detention facilities, juvenile halls, and courtrooms."

The Budget Analyst notes that, since expenditures from a Criminal Justice Facilities Construction Fund are authorized for operation and

maintenance of criminal justice facilities, this Fund could offset General Fund expenditures for operations of the jails, juvenile justice facilities, and the court system. In contrast, expenditures from the Courthouse Construction Fund are limited to capital projects involving the expansion of courtroom facilities, and cannot be used for operating expenses.

10. In 1991-92, revenues to the Courthouse Temporary Construction Fund from filing fee surcharges were \$1,882,465, and annual interest accruing to the Fund balance of approximately \$6.7 million was \$400,683, for a total of \$2,283,148 in 1991-92, according to Ms. Harrison. Ms. Harrison reports that the Courthouse Construction Fund must be established in order to obtain the approximately \$1.88 million which is available through surcharges on filing fees in Municipal and Superior Courts. These surcharges must be used exclusively for courthouse construction. If this Fund were not established, the filing fee surcharges could not be collected. Ms. Harrison states that, in her opinion, it is inadvisable to forego filing fee revenues of approximately \$1.88 million for courthouse facilities by not establishing the Fund.

The Budget Analyst notes that although filing fee revenues would be foregone if the Courthouse Construction Fund were not established, interest on the Fund balance, which is now approximately \$6.7 million, would continue to accrue. Mr. Ted Lakey of the City Attorney's Office states that, in his opinion, the fact that \$6.7 million is on deposit in the Courthouse Temporary Construction Fund does not require that San Francisco establish a Courthouse Construction Fund pursuant to the Trial Court Realignment and Efficiency Act.

11. If a Courthouse Construction Fund is established, the City would be required to impose a \$2.50 parking surcharge for deposit to this Fund, according to Mr. Lakey. If a Criminal Justice Facilities Construction Fund were also established, a second parking surcharge of \$2.50 would also be required. The total parking fine surcharge would therefore be \$5.00 for both Funds, of which \$2.00 would be remitted to the State.

Mr. Park-Li states that representatives of the Courts and the Mayor's Office have agreed that to impose both parking surcharges would result in unreasonable increases in parking fines, and could limit the City's ability to raise parking fines in the future, which would benefit the General Fund. For these reasons, according to Mr. Park-Li, a Criminal Justice Facilities Construction Fund, in addition to the Courthouse Construction Fund, was not proposed.

The Budget Analyst notes that if the Municipal Court imposed a \$2.50 increase in parking bails, rather than the State-mandated \$2.50 increase in the parking penalty surcharge, the same number of citations would result in General Fund revenues of \$3.75 million, rather than special fund revenues of \$2.25 million and remittance of \$1.5 million to the State, since the City would not be required to remit \$1.00 of each \$2.50 collected to the State.

In summary, if the Criminal Justice Facilities Construction Fund were established instead of the Courthouse Construction Fund, filing fee surcharges of approximately \$1.88 million for courthouse construction would be foregone. If it were established in addition to the Courthouse Construction Fund, parking surcharges would increase by \$5.00, rather than \$2.50, of which \$2.00, or 40 percent, would be transferred to the State Controller.

The table on the following page reflects the fiscal impact of several alternative policy decisions. The components of the current proposal appear in bold type under Alternative A.

Comparison of Policy Alternatives

<u>Alternative</u>	<u>Annual Revenues</u>		
	<u>Courthouse Construction</u>	<u>General Fund</u>	<u>Total</u>
A. Create the Courthouse Construction Fund Omit the Criminal Justice Facilities Fund			
1. Filing fee surcharges for courthouse facilities	\$1,880,000		\$1,880,000
2. \$2.50 Parking fine surcharge for courthouse construction	2,250,000	---	2,250,000
3. Potential new revenues from \$2.50 increase in parking bails, <u>if approved by the Municipal Court</u>	---	\$3,750,000	3,750,000
Totals	<u>\$4,130,000</u>	<u>\$3,750,000</u>	<u>\$7,880,000</u>
B. Omit the Courthouse Construction Fund Create the Criminal Justice Facilities Fund			
1. Filing fee surcharges could not be imposed	---	---	
2. \$2.50 Parking fine surcharge for operation and maintenance of criminal justice facilities	---	\$2,250,000*	\$2,250,000
3. Potential new revenues from \$2.50 increase in parking bails, <u>if approved by the Municipal Court</u>	---	3,750,000	3,750,000
Totals	<u>----</u>	<u>\$6,000,000</u>	<u>\$6,000,000</u>
C. Create the Courthouse Construction Fund Create the Criminal Justice Facilities Fund			
1. Filing fee surcharges for courthouse construction projects	\$1,880,000	---	\$1,880,000
2. \$2.50 Parking fine surcharge for courthouse construction	2,250,000	---	2,250,000
3. \$2.50 Parking fine surcharge for operation and maintenance of criminal justice facilities	---	\$2,250,000*	2,250,000
Totals	<u>\$4,130,000</u>	<u>\$2,250,000*</u>	<u>\$6,380,000</u>

* Potential General Fund expenditure reductions resulting from expenditures by the Criminal Justice Facilities Construction Fund.

The table includes parking and filing fee surcharges only. County penalty assessment revenues are not included, but could be allocated to either or both funds, once established.

As previously noted, since the Criminal Justice Facilities Construction Fund can be used for operating expenses of criminal justice facilities, expenditures from this fund could be used for new equipment or services, or to reduce current General Fund expenditures for criminal justice facilities. If a Courthouse Construction Fund were not established, any necessary expenditures for courthouse construction in excess of the balance of the existing Courthouse Temporary Construction Fund could require General Fund contributions.

12. For purposes of comparison, the table above includes estimated revenues from proposed Municipal and Superior Court filing fee surcharges of \$10 and \$50, respectively, as well as a total increase of \$5.00 in nominal parking fines. Nominal parking fines could increase either due to parking surcharges imposed under the Act or by an equivalent increase in parking bails imposed by the Municipal Court.

Alternative A, which includes the Courthouse Construction Fund, would generate the most revenue for the City. However, a significant portion of this revenue would be reserved for courthouse construction projects. The benefit to the General Fund under this alternative would require agreement by the Municipal Court to impose an additional \$2.50 increase in parking bails.

Alternative A also shows that it would be more cost effective for the Municipal Court to impose a single parking fine bail increase of \$2.50 (which would generate \$3.75 million for the General Fund), rather than the parking fine and filing fee surcharges for courthouse construction (which would generate \$4.13 million for the Courthouse Construction Fund). In either case, an additional \$2.50 would be paid by parking violators. However, filing fee surcharges totalling \$1.88 million would be imposed in order to generate only \$380,000 (\$4,130,000 vs. \$3,750,000) in additional revenue.

Alternative B, which includes only the Criminal Justice Facilities Construction Fund, would have the greatest impact on the General Fund, since each \$2.50 increase in nominal parking penalties (\$2.50 from a parking surcharge and \$2.50 from a potential increase in bails) would benefit the General Fund. However, part of the benefit to the General Fund under this alternative would depend upon agreement by the Municipal Court to impose an increase of \$2.50 in parking bails. Alternative B would also generate the least total revenue for the City, since filing fee surcharges for courthouse construction could not be imposed.

Under Alternative C, the only benefit to the General Fund would be \$2.25 million in expenditure reductions, if proceeds in the Criminal Justice Facilities Construction Fund were used for operating expenses. However, this \$2.25 million impact would not be dependent upon the actions of the Municipal Court, since the \$2.50 parking

surcharge for the Criminal Justice Facilities Construction Fund would be required, once the Fund is established.

14. In summary, the proposed legislation would result in approximately \$4.1 million in annual revenues to the Courthouse Construction Fund, but would forego approximately \$2.25 million for criminal justice facilities from a \$2.50 parking tax surcharge which is allowed under the Act, and which could offset General Fund expenditures. Alternatively, an equivalent \$2.50 increase in parking bails, if imposed by the Municipal Court, would generate \$3.75 million for the General Fund.

The Municipal Court believes than an additional \$2.50 increase in parking penalties, whether from a parking surcharge or a bail increase, would result in an unreasonable increase in parking fines. However, as noted above, under the proposed legislation, San Francisco citizens would pay \$1.88 million in filing fee surcharges in order to generate revenues only \$380,000 higher than if a parking bail increase were approved by the Municipal Court, in lieu of the parking surcharge which has already been approved.

Since the Courthouse Temporary Construction Fund was established in 1983, approximately \$8.4 million has been deposited, \$1.7 million has been expended, and the current balance is approximately \$6.7 million. Although the Courts indicate that a new County Courthouse, or a building containing courtrooms, is being contemplated, nearly 80 percent of the courtroom construction funds collected have not been expended.

In contrast, the Board of Supervisors has approved a \$158 million bond measure for reconstruction of the San Bruno Jail, and has tabled a proposed \$78.9 million bond measure for construction of a new Juvenile Justice Complex. Moreover, any expenditures from a Criminal Justice Facilities Construction Fund for current operating expenses of the criminal justice system (including courtrooms) could result in equivalent General Fund expenditure reductions, thereby releasing funds for other City services.

Recommendations:

1. The proposed resolution (File 97-92-43.1) contains the following provisions which are policy matters for the Board of Supervisors:

(a) Establishing the Emergency Medical Services Fund, the Automated Fingerprint Identification Fund, and the Courthouse Construction Fund pursuant to Government Code Section 76000, for receipt of County penalty assessments of \$7.00 for each \$10 collected in criminal cases; and, by omission, not establishing a Criminal Justice Facilities Construction Fund nor a Forensic Laboratory Fund.

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(b) Specifying that each \$7.00 County penalty assessment will be allocated as follows: \$1.00 to the Courthouse Construction Fund, \$2.00 to the Emergency Medical Services Fund, and \$4.00 to the Automated Fingerprint Identification Fund.

(c) Imposing an additional penalty of \$2.50 for each parking offense where a penalty is imposed, for allocation to the Courthouse Construction Fund, as required if the Fund is established.

2. If the Board of Supervisors wishes to continue the Emergency Medical Services Fund (File 97-92-42) and the Automated Fingerprint Identification Fund (File 97-92-43), the Budget Analyst recommends approval of these proposed ordinances, which would conform the San Francisco Administrative Code to the current requirements of California law.

3. Since California law authorizes but does not require the San Francisco Board of Supervisors to impose surcharges on filing fees in the Municipal and Superior Courts for the Courthouse Construction Fund, and to fix the amount of the surcharges, approval of the proposed resolution (File 97-92-44.1), which would continue the existing surcharges, is a policy matter for the Board of Supervisors.

4. If the Board of Supervisors wishes to establish the Courthouse Construction Fund, the Budget Analyst recommends approval of the proposed ordinance (File 97-92-44), which would conform the San Francisco Administrative Code to the current requirements of California law.

Item 9 - File 127-92-4

Note: This item was transferred from the City Services Committee as it was determined to have a fiscal impact on the City.

Item: Ordinance amending the San Francisco Municipal Code Part III (Revenue and Business Regs.) by deleting Sections 215 through 219 and 222 to 223 inclusive and amending Article I of the San Francisco Health Code by adding Sections 41.15 through 41.25 thereto, to require every person owning, keeping, and controlling any dog over the age of four months to vaccinate said dog against rabies and to obtain a license for said dog; requiring every person procuring a young dog from any animal shelter to obtain certificate for said young dog, and setting forth exceptions and penalties.

Description: In 1989, the State of California declared the City and County of San Francisco to be a rabies-endemic County, meaning that for public health reasons precautions should be taken against the incidence of rabies. The State requires that all dogs in rabies-endemic Counties must be vaccinated against the rabies virus, and that the vaccination must be valid for the entire term of a dog license.

Dog licensure in San Francisco is presently governed by the Revenue and Business Regulations Code of the San Francisco Municipal Code, which requires owners of dogs to obtain a dog license between July 1 and August 31 of each fiscal year; the license is valid until the following June 30 (the end of the fiscal year). As noted above, the State requires that a dog must be vaccinated against rabies for the entire period of the license, which is always through June 30, under the current San Francisco system. Therefore, only dogs which are vaccinated through June 30 can be licensed, and those with rabies vaccinations which expire prior to June 30 cannot be licensed in San Francisco.

Since licenses are only issued in July and August, at the beginning of each fiscal year, a dog may need to be re-vaccinated several months before its current rabies vaccination expires (for instance, if its vaccination expires in January), in order to obtain a license through June 30. For medical reasons, a dog usually should not be re-vaccinated in an untimely manner, according to the Department of Animal Care and Control.

The proposed ordinance would delete the Revenue and Business Code sections which now govern dog licensure, and would add new provisions to the City's Health Code which would 1) prohibit owning or keeping a dog in San Francisco without having obtained a current San Francisco license for the dog, and 2) require that all dogs over the age of 4 months shall at all times have current rabies vaccinations, for as long as San Francisco continues to be designated by the State as a rabies endemic county. Whereas the current law states that licenses must be applied for in July or August and renewed annually, the proposed ordinance would permit licenses to be issued at any time, and licenses would be valid up to 36 months, but not longer than the validity period of the rabies vaccination. Identification tags would be issued for licensed dogs, and the tags would be required to be worn at all times.

The proposed new sections of the Health Code would also impose, for the first time, a 30 day deadline for licensure of a newly acquired dog, or for an expired dog license to be renewed, and would permit a late penalty to be assessed if the dog's license is not acquired or renewed before the 30-day deadline.

The proposed ordinance would also require that owners of dogs older than two months which have been adopted from animal shelters must obtain a temporary identification tag and remit a deposit equal to the dog licensure fee. The owner would receive a Young Dog Certificate valid until the dog reaches the age of four months or is vaccinated against rabies, whichever occurs first. The owner would be required to obtain a permanent dog license within thirty days after expiration of the temporary registration certificate, or the deposit would be forfeited.

Under the proposed ordinance, any changes in fees and penalties involving dog licensure would be recommended by the Director of Animal Care and Control, subject to the approval of the Board of Supervisors. No fees could be charged for guide dogs, fees would be halved for neutered or spayed animals, and the fee could not exceed five dollars (rather than \$2, under existing law) for dogs whose owners are age 65 or over.

Comments:

1. Mr. Carl Friedman, Director of Animal Care and Control, reports that the current requirement that dog licenses be valid through June 30 prevents owners from licensing dogs whose rabies vaccinations expire prior to June 30 (for instance, if a dog's rabies vaccination expires

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in May, the dog could not be licensed through June 30, as presently required under San Francisco law). Mr. Friedman states that the present system results in an increase in unlicensed dogs and a loss of revenue to the City. The proposed ordinance would allow the validity of dog licenses to correspond to the validity period of a dog's rabies vaccination, up to 36 months.

2. The proposed ordinance does not identify the specific City agency responsible to issue dog licenses to adult dogs, but it does state that the Tax Collector, the Department of Animal Care and Control, or any other authorized agency may issue a Young Dog Certificate for dogs less than four months old.

Both the Department of Animal Care and Control and the Tax Collector currently accept dog license fees and issue dog licenses. According to Mr. Richard Sullivan of the Tax Collector's Office, the Tax Collector issues the preponderance of the licenses and mails renewal notices every year, whereas the Department of Animal Care and Control issues licenses only to dogs which it places for adoption.

The Tax Collector sends duplicate copies of its dog license records to Animal Care and Control on a regular basis. The Department of Animal Care and Control is available 24 hours per day to respond to animal control problems, which requires access to dog license records. Mr. Friedman states that he has proposed that the Department of Animal Care and Control assume responsibility for issuing dog licenses, but that the Tax Collector has not agreed to such a transfer of responsibility.

3. According to Mr. Friedman, there are approximately 50,000 dogs in San Francisco, but only approximately 10,000 are licensed. Mr. Friedman expects that approximately 2,000 additional dogs would be licensed within the first year, if the proposed ordinance were approved, by owners who presently fail to license their dogs because of the inflexible validity period of the license.

The Department of Animal Care and Control would act more aggressively to enforce dog licensure requirements if the proposed ordinance were approved, according to Mr. Friedman, because existing obstacles to licensure would be removed. Within the last three months, according to Mr. Friedman, the Department has begun to issue "fix-it tickets," the fines for which are suspended if the dog is

licensed within ten days. Mr. Friedman states that this program could be used more effectively if the existing law were modified, as proposed.

4. Fees would be unchanged from current levels under the proposed ordinance, except the fee charged to persons aged 65 or older would increase from \$2.00 to \$5.00. Mr. Friedman expects that approximately 2,000 additional dogs would be licensed in the first year if the proposed ordinance is approved. If 75 percent of these animals were spayed or neutered, for which the current fee is \$6.00 (50 percent of the standard \$12 fee), then the City would realize additional revenues of approximately \$15,000 for 2,000 additional dog licenses issued in the first year.

However, Mr. Friedman reports that within one to two months he will propose that the license fee be increased by \$4, from \$12 to \$16. An increase in the full fee to \$16 would result in an \$8 fee for spayed or neutered animals. As amended by the City Services Committee on July 21, 1992, any such changes in fees would require approval by the Board of Supervisors.

As noted above, the maximum dog license fee would increase from \$2 to \$5, for persons aged 65 or older, under the proposed ordinance.

Mr. Friedman reports that the Department of Animal Care and Control is projecting revenue to the Animal Welfare Fund in 1992-93 of approximately \$100,000 from dog license fees, which includes the Department's estimated increased revenue from higher license fees and issuance of additional licenses.

The Budget Analyst notes that additional revenues of \$25,000 would result if the standard fee is increased from \$12 to \$16 for 10,000 dogs. The increased revenue would include additional revenues of \$15,000 from a \$2 fee increase (from \$6 to \$8) for 7,500 neutered or spayed dogs, and additional revenues of \$10,000 from a \$4 license fee increase (from \$12 to \$16) for 2,500 dogs which are not spayed or neutered.

Mr. Friedman estimates that before 1989, when San Francisco became a rabies endemic county, 30,000 dogs were licensed annually. However, Mr. Friedman notes that the City had many more dogs at that time and that enforcement included neighborhood canvasses. Mr. Friedman therefore believes that the City should not expect

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to issue more than 2,000 additional new licenses as a result of the proposed ordinance.

5. Under the proposed ordinance, dog licenses and rabies vaccinations would be required, but no license fees would be assessed for certified guide dogs for the blind, signal dogs for the hearing-impaired, or service dogs for persons who are physically handicapped. License fees are not currently required for these animals.

6. Mr. Friedman reports that any County which is declared a rabies endemic County is required by the State to provide four low cost vaccination clinics each year. Mr. Friedman reports that, to date, this requirement has been satisfied by clinics offered through the San Francisco Veterinary Medicine Association, but that if the Association ceased to provide such clinics, the City would be required to provide this service.

7. The requirements of the proposed ordinance would not apply to dogs owned by non-residents of San Francisco; brought to San Francisco temporarily for pet shows; owned by non-profit zoological gardens or societies for the humane treatment of animals; used for diagnostic or teaching purposes in conformity with State and Federal laws; or owned by pet shops, circuses, or other enterprises which have business licenses or kennel licenses issued by the City and County of San Francisco.

8. On July 21, 1992, the City Services Committee amended the proposed ordinance to require that any changes in dog license fees and penalties must be approved by the Board of Supervisors, and approved the proposed ordinance, as amended.

Recommendation: Approve the proposed ordinance.

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Item 10 - File 68-92-4.1

Note: This item was continued at the August 5, 1992, Finance Committee Meeting at the request of the MOH.

Department: Mayor's Office Housing (MOH)

Item: Resolution approving procedures for allocating up to \$8,206,000 in Federal HOME Program grant funds from the U. S. Department of Housing and Urban Development (HUD) and authorizing the Mayor to encumber and authorize release of these grant funds from HUD. (HUD will release funds directly to program recipients designated by MOH in its role as administrator of the grant program.) Direct and indirect costs associated with the grant will be paid by Community Development Block Grant (CDBG) Funds.

Amount: Not to exceed \$8,206,000

Description: The HUD HOME Program is authorized under Title II of the National Affordable Housing Act of 1990 (Public Law Number 101-625), which provides funds for the acquisition, rehabilitation and development of affordable housing. In March, 1992, the Board of Supervisors authorized MOH to apply for, accept and administer a HUD HOME Program grant of up to \$8,206,000. HOME Program grant funds will generally be used to make long term (75 years), low interest (3 percent) loans to developers of housing for low income families. HOME Program grant funds can also be loaned at zero interest for 20 years to developers that will match the HOME Program grant funds on a dollar-for-dollar basis. Loans are available to either for-profit or non-profit developers.

The \$8,206,000 HOME Program grant is one component of the Citywide housing investment plan that includes funding from several other sources of development monies including CDBG funds, the housing set-aside under the Hotel Tax Fund, any available funds from tax increment financing, the Office-Affordable Housing Production Program, and other special funds targeted for affordable housing. The Citywide housing investment plan encourages the development of affordable housing in a manner consistent with the priorities set forth in the City's Comprehensive Housing Affordability Strategy (CHAS) and with the goals of the Residence Element of the Master Plan adopted by the City's Planning Commission. The HOME Program grant funds of \$8,206,000 would be expended as follows:

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- 1) Approximately \$2 million (24.4 percent) would be set aside for new construction of single room occupancy hotels and other forms of group housing;
- 2) Approximately \$2.2 million (26.8 percent) would be used for acquisition and rehabilitation of non-profit owned rental housing. There would be an emphasis on multiple-bedroom housing for very low and extremely low income households;
- 3) Approximately \$1 million (12.2 percent) would finance the rehabilitation of private investor-owned rental housing, primarily multi-unit, multiple bedroom housing;
- 4) Approximately \$1 million (12.2 percent) would be made available to rehabilitate both non-profit and for-profit owned group housing, including single room occupancy hotels and board and care facilities;
- 5) Approximately \$2 million (24.4 percent) would constitute a pool of funds set aside for contingencies and for housing investment opportunities which are unforeseeable at the present time.

In previously authorizing the MOH to apply for, accept and administer the \$8,206,000 HOME Program grant, the Board of Supervisors directed the MOH to prepare and submit allocation criteria and procedures to be used for allocating HOME Program grant funds to the Board of Supervisors for approval prior to the encumbrance of HOME Program grant funds by the MOH. The proposed resolution would approve the Procedures for Allocating Home Program Funds. The written procedures are contained in the Board of Supervisors file for this item. These procedures were prepared and submitted by the MOH in order to obtain approval from the Board of Supervisors to encumber HOME Program grant funds. The procedures are summarized as follows:

- The stated purpose of the written Procedures for Allocating Home Program Funds is to establish uniform criteria and processes for implementation of the City's program to allocate HOME Program grant funds and to describe the responsibilities of agencies and individuals involved in the administration of the City's program.
- The Mayor's Office of Housing and the San Francisco Redevelopment Agency (SFRA), Housing Production Division shall jointly administer the City's program to allocate the HOME Program grant funds.

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- By March 30th of each year, an Annual Report shall be submitted to the Board of Supervisors, setting forth an accounting of all the HOME Program grant funds allocated by the City during the previous calendar year. The report shall identify how HOME Program grant funds were distributed among the different categories of housing needs identified in the City's housing strategy and describe the number, location, unit-mix, and non-City funds leveraged for each project funded for the period.
- The Mayor, in consultation with the Director of MOH and the Director of SFRA shall allocate HOME Program grant funds along with other locally administered funds based on the categories of housing development and specific target populations identified by the Comprehensive Housing Affordability Strategy (CHAS) as the City's priority affordable housing needs. The allocation of funds shall be governed by the priorities for investment set out in the City's CHAS and by the goals of the Residence Element of the Master Plan. In allocating funds, the MOH shall take into account the use restrictions associated with each funding source, such as those limiting use of Hotel Tax funds to development of housing for seniors, and the varying potential for leveraging non-City monies associated with each funding source.
- The MOH shall authorize commitment of HOME Program grant funds to specific projects upon recommendation of the Affordable Housing Development Loan Committee consisting of the Director of MOH, the Director of SFRA, and the Director of the Mayor's Office of Economic Planning and Development (MOEPD). The Loan Committee shall review and recommend approval or denial of all applications for loans.
- Specific criteria for evaluation of HOME Program grant funded project applications are contained in Subsection D of Section II of the written procedures.
- All units assisted with HOME Program grant funds shall be occupied by households with incomes that do not exceed sixty percent (60%) of median income for the Bay Area adjusted for family size. (According to the HUD Income Limits table in the CHAS, the median income for a family of four is \$49,900. Therefore, the income of a family with four members that occupies a unit assisted

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with HOME Program grant funds cannot exceed 60 percent of \$49,900, or \$29,940.)

- The total charge for rent, utilities and related services charged by the developers for rental units funded by HOME Program grant funds cannot exceed thirty percent (30%) of a family's income. (In the previous example for a family of four, the total charge for rent, utilities and related services cannot exceed 30 percent of \$29,940, or \$8,982 annually or \$748.50 monthly.)
- The affordability restrictions regarding (1) income of occupants of rental units developed with loans of HOME Program grant funds and (2) total charge for rent, utilities and related services must remain in effect for the term of the loan (either 75 years or 20 years).
- The Mayor shall determine how much interest shall be charged on the 75 year loans funded by HOME Program grant funds. These loans may be interest bearing or interest free, depending on the financial feasibility of the project. The Mayor shall also determine the terms under which interest and/or principal shall be paid by a developer. Payment may be amortized or deferred to the end of the term of the loan. Deferred loans may be structured so as to require payment at the end of the term, or to be forgiven, depending on the financial feasibility of the project.

Comments:

1. The MOH expects to incur minimal indirect costs for services of the Controller's Office and for the monitoring of these grant funds. MOH anticipates that these indirect costs will be minimal because once the MOH has identified the specific housing projects to receive HOME Program grant funds, the grant monies will be disbursed by HUD directly to the projects. Such indirect costs will be paid from CDBG funds.

2. The MOH requested that the proposed resolution be continued for one week at the August 5, 1992, Finance Committee Meeting in order to revise the written procedures for allocating the HOME Program grant funds to allow the Mayor sole discretion in determining, depending on the financial feasibility of the project, a) if interest is to be paid on the 75 year loans, b) the rate of interest to be paid and c) the terms for payment of interest and principal. The revised procedures also allow the Mayor the discretion to determine that payments can be amortized or deferred to the end of the loan or can be forgiven altogether, depending on the financial feasibility of the project. Before being revised, the procedures gave the Director of MOH the sole discretion for making these decisions. Because of the delegation of such discretion, we believe that approval of the proposed resolution is a policy matter for the Board of Supervisors.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 11 - File 65-92-12

Department: Real Estate Department

Item: The proposed ordinance would authorize and approve the lease of City-owned property at 1800 Oakdale Avenue to the Economic Opportunity Council of San Francisco, a non-profit corporation.

Location: 1800 Oakdale Avenue (Southeast Community Facility)

Purpose of Lease: Childcare Center

Lessee: Economic Opportunity Council of San Francisco

No. of Sq. Ft. and Cost per Month: 3,450 sq. ft. @ \$0.75/sq. ft./mo. = \$2,600 rent/month

Annual Revenue: \$31,200

% Increase Over Prior Year: None

Utilities and Janitor Services Provided by Lessor: Yes

Term of Agreement: August 1, 1992 to July 31, 1997 (5 years)

Comments:

1. The Real Estate Department reports that the Economic Opportunity Council, a Head Start Program provider, recently replaced Far West Laboratory, also a Head Start Program provider, as the operator of the licensed childcare center housed in the Southeast Community Facility. The Economic Opportunity Council will provide childcare services for up to 80 children who live in the Bayview/Hunters Point area.
2. The Real Estate Department reports that the proposed monthly rental of \$2,600, which is the same rental amount that was paid by Far West Laboratory, does not represent the current fair market rental value for the property. The Department advises that the monthly rental was negotiated at less than fair market value, which is estimated at \$4,312 (\$1.25 per square foot), because (1) below market rental rates are the standard rather than the exception for federally funded Head Start Programs (the difference in the rent is considered to be an "in-kind" contribution toward the 20% unfunded portion of the program), (2) a higher rent would

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adversely affect the Head Start Program's projected operating budget, which has been submitted and approved by the Federal agency funding this program and (3) there is an urgent need to maintain the Head Start Program in the Bayview/Hunters Point neighborhood and preserve the Federal funds allocated for the Program (see attached letter from the Real Estate Department).

3. The current fair market rental value of \$4,312 per month is \$1,712 per month or 65.8 percent more than the proposed rate of \$2,600 per month. The Real Estate Department advises that under the proposed lease agreement, the monthly rental amount of \$2,600 would be subject to an annual increase based on the Consumer Price Index for each year of the proposed five year lease.

4. As noted above, the proposed lease is effective as of August 1, 1992. Therefore, the proposed legislation should be amended to retroactively authorize the proposed lease agreement for the childcare center at the Southeast Community Facility.

Recommendations: 1. Amend the proposed legislation to retroactively authorize the proposed lease agreement for the childcare center at the Southeast Community Facility.

2. Approval of the proposed lease agreement at less than the fair market value is a policy matter for the Board of Supervisors.

City and County of San Francisco

Real Estate Department

Office of the
Director of Property

MEMORANDUM

August 7, 1992

TO: Sandy Brown-Richardson
Budget Analyst Office

FROM: Harry J. Quinn *[Signature]*
Assistant Director of Property

SUBJECT: Lease of 1800 Oakdale Avenue to Economic Opportunity Council of San Francisco for use as a Head Start Child Care Facility.

The Southeast Community Facility, which provided space specifically for child care for the community, was built as mitigation for the adjacent southeast water treatment plant. Economic Opportunity Council, which was selected as the Head Start Program grantee in the City and the successor to Far West Laboratories, was determined by the Southeast Facility Community Commission to be an acceptable child care operator for the facility and to continue being the operator of the facility's child care program. This is one of twenty-six sites that Economic Opportunity Council operates in the City.

The Real Estate Department has determined that the fair market rent for the premises is \$1.25 per square foot as opposed to the actual \$0.75 per square foot rental rate. In past child care leases at the Southeast Community Facility, the tenant has paid something less than fair market value. It is generally accepted that to run the federally funded Head Start Program, below market rental rates are the standard rather than the exception. The difference in rent is considered to be an "in kind" contribution towards the 20% unfunded portion of the program. If a higher rate were obtained, it would adversely affect the Head Start Program's projected budget which has been submitted and approved by the federal agency funding this program. Private funds are limited for the portion that is not federally funded.

To accommodate the needs of both the City and the community in the Head Start Program, it was determined that a \$0.75 per square foot rental rate would be established in order to continue the program and not diminish the educational opportunities to the children of the community.

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A:212

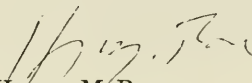
Items 12, 13 and 14 - Files 60-92-4.1, 60-92-4.2 and 60-92-4.3

Items: Ballot argument (First Draft) in favor of a bond measure concerning seismic strengthening of unreinforced masonry buildings (File 60-92-4.1).

Ballot argument (First Draft) in favor of a bond measure concerning construction and reconstruction of Fire Department facilities (File 60-92-4.2).

Ballot argument (First Draft) in favor of a bond measure concerning construction and reconstruction of correctional facilities (file 60-92-4.3).

Comment: The Budget Analyst does not report on Ballot arguments.


Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
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CALENDAR

SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

Thursday, August 13, 1992 - 11:00 A.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

1. File 97-92-46. [City Resources to Enforce Immigration Laws] Ordinance amending Administrative Code Chapter 12H, which prohibits use of City and County resources to assist in enforcement of federal immigration laws, by adding Section 12H.2-1 to clarify that Chapter 12H does not apply to individuals who have been convicted of certain criminal violations.
(Supervisor Gonzalez)

ACTION:

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OF SAN FRANCISCO

ATTN: Gerry Roth

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BOARD OF SUPERVISORS

AUG 13 1992

BUDGET ANALYST

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1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 12, 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: August 13, 1992 Special Finance Committee Meeting

Item 1 - File 97-92-46

Item: Draft ordinance to amend the San Francisco Administrative Code by amending Chapter 12H thereof, which prohibits use of City and County resources to assist in enforcement of Federal immigration laws by adding Section 12H.2-1, to clarify that Chapter 12H does not apply to individuals who have been convicted of certain criminal violations.

Description: According to Chapter 12H of the Administrative Code, San Francisco is a City and County of Refuge. No City Department or employee may use any City funds or resources to assist in the enforcement of Federal immigration law. Departments and employees are specifically prohibited from assisting or cooperating, in an official capacity, with any Immigration and Naturalization Service (INS) investigation, detention, or arrest procedures relating to alleged violations of the civil provisions of the Federal immigration law.

The proposed amendment to the Administrative Code would add Section 12H.2-1, which would state that Chapter 12H does not preclude any City Department or employee from cooperating with an INS request for information regarding an individual who has been convicted of an aggravated felony.

Comments:

1. According to Lt. Jan Dempsey of the Sheriff's Department, since the Sheriff's Department has not cooperated with the INS for a number of years, it is unclear what "cooperation" with the INS would mean. Also, the Sheriff's Department reports that, at this time, it is unknown, under this ordinance, whether the City or INS would have the responsibility to initiate such cooperation.

2. According to Title 8 of the United States Code, an aggravated felony means: (1) murder; (2) illicit trafficking of any controlled substance; (3) any illicit trafficking in any firearms or destructive devices; (4) any offense related to laundering of monetary instruments; (5) any crime of violence for which the term of imprisonment imposed is at least five years; or (6) any attempt or conspiracy to commit any such act. An aggravated felony may be a violation of Federal, State or foreign law, according to Title 8. A felony, which is not aggravated, would include all other felonies. According to the proposed draft ordinance, these provisions would apply only to those individuals who have been convicted of an aggravated felony.

3. The Mayor has proposed an ordinance regarding City assistance in the enforcement of Federal immigration laws, to be placed on the November, 1992 ballot. The Mayor's proposed ordinance, if approved by the voters, states that no officer, employee or law enforcement agency in San Francisco is prohibited from cooperating with the INS regarding an individual who has been convicted of a felony committed within the State of California. The Mayor's proposed ordinance differs from the proposed ordinance which is the subject of this report (File 97-92-46) in the following ways:

(a) The Mayor's proposed ordinance would allow City representatives to cooperate with INS regarding persons convicted of any felony, and would not be limited to persons convicted of aggravated felonies;

(b) The Mayor's proposed ordinance would apply only to those individuals who committed felonies in the State of California, whereas the proposed ordinance (File 97-92-46) would apply to individuals who committed aggravated felonies anywhere in the United States.

(c) The Mayor's proposed ordinance would not apply in cases where an individual is arrested and convicted for failing to obey a lawful order of a Police Officer during a public assembly or for failing to disperse after a Police Officer has declared an assembly to be unlawful and has ordered

dispersal. The proposed ordinance (File 97-92-46) does not specifically exempt individuals arrested or convicted for such reasons since such arrests or convictions are not aggravated felonies.

According to Mr. Jim Lazarus of the Mayor's Office, if the proposed ordinance is approved by the Board of Supervisors, the Mayor intends to remove his proposed ordinance from the November, 1992 ballot.

4. Of the approximately 2,200 inmates in San Francisco County jails, the Sheriff's Department advises that approximately 23 percent, or approximately 500 inmates, are individuals who are not pre-trial felons. While most convicted felons are transferred out of the County jails to State prisons, some convicted felons carry out their sentences in the County jails.

5. According to Lt. Dempsey, the Sentencing Judge may offer convicted felons a choice between staying in the County jails or moving to the State jail system if the person's jail term is relatively short. If the convicted felon chooses to stay in the County jail, the County's General Fund pays for that felon's keep. The average cost per prisoner per day in the County jail is \$59, or approximately \$21,535 annually.

Under the proposed ordinance, a convicted aggravated felon who elects to stay in the County jail system may be interviewed by INS and determined to be an illegal alien. If any individuals are subsequently removed from the County jail by INS, this would result in savings to the City. However, Lt. Dempsey advises that the Sheriff's Department does not have information regarding immigration status, and does not maintain records of numbers of convicted felons in County jails.

6. According to the Sheriff's Department, the extent to which the proposed ordinance would reduce jail overcrowding, cannot be determined at this time because: (1) exactly what portion of the approximately 500 non pre-trial felons are illegal immigrants as well as convicted aggravated felons is unknown; and (2) no arrangement with INS, including who has the responsibility for the identification of illegal immigrants and the rapidity of the removal of such immigrants by INS from the San Francisco County jails, has yet been made. Because the Sheriff's Department cannot determine the extent to which the proposed ordinance would result in a reduction in the jail population, the precise

amount of savings to the General Fund from such a reduction cannot be determined at this time.

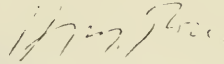
7. According to Ms. Arlene Sauser of the Adult Probation Department (APD), the Superior Court has indicated to the APD that the APD should continue to provide reports regarding the immigration status of convicted felons. Approval of the proposed legislation might resolve any public confusion regarding perceived contradictions between Chapter 12H of the Administrative Code and the direction of the Superior Court, Ms. Sauser reports.

9. Neither the Mayor's proposed ordinance nor this proposed ordinance (File 97-92-46) specifies whether or not the provisions would pertain to prior felony convictions. According to Mr. Lazarus, the Mayor intends his proposed ordinance to pertain to prior felony convictions. Lt. Dempsey advises that if the proposed ordinance is interpreted to pertain to prior felony convictions, its impact would be greater, since a portion of the approximately 1,700 pre-trial felons in the County jails may be illegal aliens with prior felony convictions.

10. According to Lt. Jim Molinari of the Police Department (SFPD), Section 11369 of the State Health and Safety Code requires that the SFPD report to the INS all suspected illegal aliens arrested on charges involving the dealing, possession or sale of illegal substances. Lt. Molinari advises that the SFPD currently complies with this State Code although it is in contradiction with Chapter 12H, because State laws take precedence over local laws. According to Lt. Molinari, persons are primarily suspected of illegal status if they are foreign nationals (i.e., individuals born outside the United States) and/or non-English speakers, and are new arrestees.

If an individual is suspected of being an illegal immigrant, the SFPD currently provides that person's name to the INS. Once the INS is provided with the name of an inmate suspected of illegal status, the Sheriff cooperates with the State law to allow INS access to the jail to interview that person to determine immigration status.

Recommendation: The proposed ordinance is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
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C A L E N D A R

SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, AUGUST 19, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 60-92-4.4. Hearing to consider rebuttal argument concerning seismic strengthening of unreinforced masonry buildings (Proposition A). (Supervisor Hsieh)

ACTION:

2. File 60-92-4.5. Hearing to consider rebuttal argument concerning construction and reconstruction of correctional facilities (Proposition B). (Supervisor Gonzalez)

ACTION:

3. File 60-92-4.6. Hearing to consider rebuttal argument concerning construction and reconstruction of Fire Department facilities (Proposition C). (Supervisor Conroy)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

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OF SAN FRANCISCO *ATTN: Gerry Roth*

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

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August 17, 1992

TO: Finance Committee
FROM: Budget Analyst *Re recommendations*
SUBJECT: August 19, 1992 Special Finance Committee Meeting

Items 1, 2 and 3 - Files 60-92-4.4, 60-92-4.5 and 60-92-4.6

Items: Hearing to consider rebuttal argument concerning seismic strengthening of unreinforced masonry buildings (Proposition A) (File 60-92-4.4).

Hearing to consider rebuttal argument concerning construction and reconstruction of correctional facilities (Proposition B), (File 60-92-4.5).

Hearing to consider rebuttal argument concerning construction and reconstruction of Fire Department facilities (Proposition C), File 60-92-4.6).

Comment: The Budget Analyst does not report on rebuttal ballot arguments.

Harvey M. Rose

Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh

Supervisor Kennedy
Supervisor Maher
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CALENDAR

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

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WEDNESDAY, AUGUST 19, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 38-92-22. [Gift Acceptance] Resolution authorizing the City and County of San Francisco to accept gift or advance funds in the amount of up to \$170,000 from Catellus Development Corporation to cover certain costs and expenses related to the formation of one or more community facilities districts under the Mello-Roos Community Facility Act of 1992 in the Mission Bay Project area. (Chief Administrative Officer)
 - (b) File 138-92-6. [Grant - State Funds] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$230,850 made available through the State Board of Control, Victims of Crime Program, an agent of the State of California for a project entitled "Joint Powers Agreement with Victim Witness Assistance Center" for Fiscal Year 1992-93. (District Attorney)
 - (c) File 138-92-7. [Grant - State Funds] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$279,506 made available through the Office of Criminal Justice Planning for a project entitled "Victim Witness Assistance Center" for the twelve month period July 1, 1992 through June 30, 1993. (District Attorney)
 - (d) File 101-90-84.4. [Release of Funds] Requesting release of reserved funds, Fire Department - 1986 Fire Protection System Improvement Bonds, Series 1991B, in the amount of \$921,283, for the AWSS Extension in Mission Street, from Bosworth to 29th Streets; companion measure to File 101-90-84, Ordinance No. 156-91. (Fire Department)

ACTION:

REGULAR CALENDAR

2. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 8/12/92)

ACTION:

3. File 27-92-6. [Airport – Rates & Changes] Resolution making a finding that the schedule of rates and charges for common use facilities established by Airports Commission effective July 1, 1992 will be sufficient to pay for maintenance and operation expenses of the Airport and will not require any tax subsidy; companion measure to File 27-92-6.1. (Airports Commission)
ACTION:
4. File 27-92-6.1. [Airport – Rates & Changes] Resolution approving changes to the schedule of rates and charges for common use facilities at San Francisco International Airport as established by Airports Commission; companion measure to File 27-92-6.1. (Airports Commission)
ACTION:
5. File 97-92-35. [Telecommunications Facilities] Ordinance amending Administrative Code by adding Chapter 22B to assign responsibility to the General Manager of the Department of Electricity for designing, implementing and coordinating an improved telecommunications program for departments, boards, and commissions of the City and County. (Supervisor Gonzalez)
(Transferred from City Services Committee 8/4/92 – Fiscal Impact)
ACTION:
6. File 53-92-3. [Islais Creek Transport Storage & Project Modifications] Resolution adopting Final Negative Declaration, finding and determining that the proposed construction of the Islais Creek Transport/Storage Project Modifications will have no significant impact on the environment, and adopting and incorporating findings of Final Negative Declaration; companion measure to File 53-92-3.1. (Department of Public Works)
(Transferred from City Services Committee 8/4/92 – Fiscal Impact)
ACTION:
7. File 53-92-3.1. [Islais Creek Transport Storage and Project Modifications] Resolution approving construction of the Department of Public Works for the construction of the Islais Creek Transport and Storage Project Modifications; companion measure to 53-92-3. (Department of Public Works)
(Transferred from City Services Committee 8/4/92 – Fiscal Impact)
ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 17, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: August 19, 1992 Finance Committee Meeting

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Item 1a - File 38-92-22

Department: Chief Administrative Officer

Item: Resolution authorizing the City and County of San Francisco to accept a cash gift or advance funds in the amount of up to \$170,000 from Catellus Development Corporation to cover certain costs and expenses related to the formation of one or more community facilities districts under the Mello-Roos Community Facilities Act of 1982 in the Mission Bay Project Area.

Amount: \$170,000

Source of Gift: Catellus Development Corporation

Description: The proposed resolution would authorize the City to accept a gift of cash or advance funds in the amount of up to \$170,000 from Catellus Development Corporation. The proposed gift would support financial consulting and legal services associated with the formation of a Community Facilities District for the Mission Bay Project.

The Board of Supervisors previously approved a resolution (File 255-91-7) finding that the Board of Supervisors intends to conduct proceedings for the establishment of a Community Facilities District (CFD). Under the Mello-Roos Community Facilities Act of 1982, communities can form CFDs, which use the property tax increments resulting from new development in a district to finance public improvements and public capital facilities.

According to the Development Agreement between the City and Catellus Development Corporation, the CFD would provide financing for the infrastructure and certain public facilities related to the Mission Bay Project. The funds provided by Catellus would be used to pay for the following services related to the Community Facilities District:

Special Tax Consultant	\$70,000
Financial Adviser	20,000
Bond Counsel	<u>80,000</u>
Total	\$170,000

Comments:

1. According to the CAO, the following consultants and firms have been selected and have already begun work on the CFD:

Bond Counsel: Brown & Wood/Pamela S. Jew, a joint venture. Pamela Jew is an MBE/WBE firm.

Tax Consultant: Economic and Planning Systems, a non-MBE/WBE firm. According to the CAO, although Requests for Proposals were distributed to Human Rights Commission registered MBE/WBE firms, no bids were received from MBE/WBE firms.

Financial Advisers: Evanson Dodge and Charles A. Bell Securities, a joint venture. Charles A. Bell is an MBE firm.

All of the consultants and firms were selected through a Request for Proposal process.

2. Although the consultants have already begun work and costs have been incurred against the proposed gift, no funds have actually been expended and the gift has not been formally accepted. Therefore, the proposed resolution does not need to be retroactive.

BOARD OF SUPERVISORS
BUDGET ANALYST

3. According to Mr. Ken Taymor of the City Attorney's Office, Catellus is providing the proposed gift because the City is hiring consultants who are working on a project (the Mission Bay CFD) which benefits Catellus Development Corporation.

4. According to the proposed Agreement for Gift and Advanced Funding between the City and Catellus Corporation, the City would give Catellus 30 days notice if \$170,000 is insufficient to cover the costs of the consultant services, and provide Catellus with an estimate of additional costs and expenses. The City would then cease all work related to the formation of the CFD until such time as the agreement with Catellus Corporation has been amended and Catellus agreed to pay the additional funds necessary to pay the estimated costs and expenses. However, according to Ms. Laura Lockwood Wagner of the CAO's Office, the contracts are designed to prevent the total costs from exceeding \$170,000, so the CAO anticipates that \$170,000 will be sufficient to cover the total costs of the contracts.

5. The CAO anticipates that services costing a total of \$70,000 will be provided before the formation of the CFD. Therefore, the CAO requested that \$100,000 of the proposed \$170,000 gift should be reserved until the Community Facilities District is actually formed.

Recommendations:

Amend the proposed resolution to reserve \$100,000 of the proposed \$170,000 gift pending the formation of the Community Facilities District.

Approve the proposed resolution as amended.

Item 1b - File 138-92-6

Department: District Attorney

Item: Resolution authorizing the District Attorney to apply for, accept and expend continuation State grant funds of \$230,850 for the Joint Powers Agreement with Victim Witness Assistance Center for FY 1992-93.

Grant Amount: \$230,850

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: California State Board of Control, Victims of Crime Program

Project: Joint Powers Agreement with Victim Witness Assistance Center

Description: This would be the seventh year of State funding for this program. The Victim/Witness Center Project (Center), administered by the District Attorney's Office, provides a broad range of services to victims of crime, including the following: (1) crisis intervention and emergency services; (2) training and public awareness programs; (3) orientation to the local criminal justice agencies; and (4) the filing of victim claim forms for compensation through the State Board of Control. A victim claim is an out-of-pocket expense such as a medical expense incurred by a victim.

In fiscal year 1986-87, the first Joint Powers Agreement, between the State Board of Control and the Victim/Witness Center, was approved by the Board of Supervisors so that the filing of victim claims could be accomplished locally. Prior to 1986, the majority of such claims were processed by State Board of Control staff in Sacramento. This agreement authorized the Center a staff position and transferred the major responsibility for claims verification from the State to the Center. The ability to verify claims locally results in expediting payments being made to victims of violent crime from an average of five months to three months.

No. of Persons to be Served: Approximately 2,229 victims of crime.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 19, 1992

Project Budget:	<u>Personnel</u>	<u>FTEs</u>	<u>Amount</u>
	Executive Director	0.10	\$ 5,351
	Victim Claims Coordinator	0.90	42,917
	Claims Specialist	0.10	3,419
	Victim/Witness Technician	4.45	124,624
	Senior Clerk Typist	0.30	9,921
	Grant Manager	0.05	1,994
	Fringe Benefits	—	<u>16,104</u>
	Subtotal Personnel	5.90	\$204,330
	<u>Operating Expenses</u>		
	Travel		\$ 3,735
	Telephone		3,422
	Copying		1,826
	Office Supplies		1,630
	Equipment Rental		533
	Postage		562
	Training		960
	Audit		<u>2,309</u>
	Subtotal Operating Expenses		14,977
	<u>Indirect Costs</u>		<u>11,543</u>
	Total Program Budget		\$230,850

Required Match: None.

Indirect Costs: \$11,543 or 5 percent of the total grant amount of \$230,850.

Comments: 1. Ms. Donna Medley of the District Attorney's Office reports that if the proposed State grant of \$230,850 is reduced or terminated, the result would be a reduction in staff, a reduction in the number of victims applying for compensation, a reduction in reimbursement to San Francisco service providers (primarily San Francisco General Hospital) who render services to crime victims, and an increase in the amount of time required to process victim claims. As noted above, the proposed grant would fund 5.9 FTEs.

2. Ms. Medley indicates that although the proposed grant period is July 1, 1992 through June 30, 1993, the District Attorney's Office has not yet accepted or expended the proposed grant funds. The State Board of Control extended the application deadline for this grant to July 31, 1992, due to

BOARD OF SUPERVISORS
BUDGET ANALYST

uncertainties regarding the State budget. Therefore, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for the proposed grant, since the District Attorney's Office has already applied for this grant. Ms. Medley reports that the District Attorney's Office has been notified that \$230,850 in grant funds would be awarded to the District Attorney's Office, but accepting and expending the proposed grant funds is pending authorization by the Board of Supervisors.

3. The proposed grant amount of \$230,850 includes indirect costs of \$11,543, based on five percent of the total grant. Since the indirect costs were mentioned in the body, but not in the title of the proposed resolution, the proposed resolution should be amended to include indirect costs of \$11,543 in the title of the proposed resolution.

4. Ms. Medley reports that since the proposed grant is a continuation grant, expenses have been incurred against the District Attorney's FY 1991-92 grant account with the State Board of Control in order to continue providing services, and when the proposed grant funds are received, the account would be reimbursed.

5. Ms. Medley reports that funding for the Joint Powers Agreement is awarded to the District Attorney's Office from criminal penalties and fines assessed against criminals in California. The amount which San Francisco receives annually is based upon a projection of the number of annual victim claims which would be processed in San Francisco. As noted above, a victim claim is an out-of-pocket expense, such as a medical expense, incurred by a victim of crime.

6. According to Ms. Medley, \$3,360 of the \$3,735 budgeted for Travel would be used for mandatory training of staff required by the State Board of Control in Sacramento, and \$375 would be used for local staff mileage. Ms. Medley reports that the State requires training on the Board of Control's new computer system, VOX, which automates victim compensation claims to the State. The \$960 budgeted for Training would be used for a new staffperson to attend mandatory staff training for 10 days.

7. Ms. Medley reports that virtually all of the grant-funded positions within the District Attorney's Office are considered temporary positions. For that reason, the fringe benefits of \$16,104 in the budget listed above consists of \$2,564 for fringe benefits for permanent employees and \$13,540 for fringe benefits for temporary employees. Thus, the total fringe

benefits of \$16,104 constitute only 8.6 percent of salaries totaling \$188,226.

8. The proposed grant funds of \$230,850 constitute the same amount of grant funds which the District Attorney's Office received in fiscal year 1991-92.

9. Attached is a copy of the Summary of Grant Request form, as completed by the District Attorney's Office.

10. The District Attorney's Office has completed a Disability Access Checklist, which is in the file.

- Recommendation:**
1. Amend the proposed resolution to authorize the District Attorney's Office to apply for the proposed grant retroactively, and to include indirect costs of \$11,543 in the title of the proposed legislation.
 2. Approve the proposed resolution, as amended.

Grantor State Board of Control
 Contact Person Al Schaden
 Address P.O. Box 3036
Sacramento, CA 95812-3036
 Amount Requested \$ 230,850
7/1/92 To 6/30/93
 Term: From _____ To _____
 Health Commission _____ Board of Supervisors: Finance Committee _____

Division District Attorney's Office
 Section Victim/Witness Bureau
 Contact Person Felix Marin
 Telephone 415-553-1016
 Application Deadline 7/31/92
 Notification Expected 8/21/92

Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a ~~(new)~~ (continuation) ~~(140,000)~~ (230,850) grant in the amount of \$230,850 from the period of 7/1/92 to 6/30/93 to provide verification of victim compensation claims services.
 (Circle appropriate words)

II. Summary: (Coach/Volunteer, board addressed; member = groups served; services and providers)

The State Board of Control has entered into a Joint Powers Agreement with the County since 1986. The Victim/Witness Bureau of the D.A.'s Office administers the Agreement by providing verification services for victims of violent crime who seek compensation for unreimbursed financial losses due to crime. Compensation is made through the State Restitution Fund which is established through criminal fines and penalties.

III. Outcomes/Objectives:

Victim Compensation staff will verify approximately 2229 regular and supplemental claims to earn 1727 total claim credits for FY'92-'93 per requirements of the State Board of Control.

IV. Effects of Reduction or Termination of These Funds:

Reduction or termination of funds would decrease the number of victims applying for compensation, reduce the reimbursement to San Francisco service providers (primarily SEGH), and increase the amount of time to process victim claims.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	<u>168,000</u>	<u>230,850</u>	<u>230,850</u>	<u>-0-</u>	<u>-0-</u>	_____
Personnel	<u>150,000</u>	<u>202,139</u>	<u>204,330</u>	<u>+2,191</u>	<u>-0-</u>	_____
Equipment	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	_____
Contract Svc.	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	_____
Mat. & Supp.	<u>958</u>	<u>1,740</u>	<u>1,630</u>	<u>(110)</u>	<u>-0-</u>	_____
Facilities/Space	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	_____
Other	<u>7,845</u>	<u>15,428</u>	<u>13,347</u>	<u>(2,081)</u>	<u>-0-</u>	_____
Indirect Costs	<u>8,400</u>	<u>11,543</u>	<u>11,543</u>	<u>-0-</u>	<u>-0-</u>	_____

VI. Data Processing

(same indicated above)

NA

NA

NA

NA

NA

NA

VII. Personnel

F/T CSC	<u>3</u>	<u>6</u>	<u>5</u>	<u>(1)</u>	<u>NA</u>
P/T CSC	<u>5</u>	<u>4</u>	<u>5</u>	<u>+1</u>	<u>NA</u>
Contractual	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
Office of Criminal Justice Planning; D.A.'s Office General Fund

Will grant funded employees be retained after this grant terminates? If so, How?

•VIII. Contractual Services: Open Bid NA Sole Source NA (if sole source, attach Request for Exception Form)

Memo to Finance Committee
August 19, 1992

Item 1c - File 138-92-7

Department: District Attorney

Item: Resolution authorizing the District Attorney to apply for, accept and expend continuation State grant funds in the amount of \$279,506 for the Victim Witness Assistance Center.

Grant Amount: \$279,506

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: Victim Witness Assistance Center

Description: This would be the 16th year of State funding for this project. The Victim Witness Assistance Center, administered by the District Attorney's Office, provides a broad range of services to victims of crime, including the following: (1) crisis intervention and emergency services (e.g., counseling and financial assistance); (2) information and referral services; (3) the filing of Victim of Crime Claim forms for compensation through the State Board of Control; (4) training and public awareness programs (e.g., presentations to community groups and public safety agencies); and (5) orientation to the local criminal justice agencies (e.g., provision of verbal or printed information to victims/witnesses on the location, procedures and functions of local criminal justice agencies).

The District Attorney's Victim Witness Assistance Center has initiated special projects for the elderly, child victims, juveniles, the Asian and Latino communities, rape victims and the business community.

No. of Persons to be Served: Approximately 2,400 victims of crime.

Memo to Finance Committee
August 19, 1992

Project Budget:	<u>Personnel</u>	<u>FTEs</u>	<u>Amount</u>
	Executive Director	0.50	\$26,752
	Victim/Witness Specialists	2.00	95,369
	Victim/Witness Specialists	2.40	85,686
	Senior Clerk Typist	0.65	21,374
	Grant Manager	0.05	1,994
	Interns, Work/Study Students, Temporary Assistants		350
	Fringe Benefits	_____	<u>22,079</u>
	Subtotal Personnel	5.6	\$253,604
	<u>Operating Expenses</u>		
	Travel		\$ 1,808
	Telephone		3,215
	Copying		1,715
	Office Supplies		1,532
	Emergency Assistance Fund		334
	Postage		528
	Audit		<u>2,795</u>
	Subtotal Operating Expenses		\$11,927
	<u>Indirect Costs</u>		<u>13,975</u>
	Total Program Budget		\$279,506

Required Match: None.

Indirect Costs: \$13,975 or 5 percent of the total grant amount of \$279,506.

Comments: 1. Ms. Donna Medley of the District Attorney's Office reports that if the proposed State grant of \$279,506 is reduced or terminated, the result would be a reduction in staff and the closure of the Victim Witness Assistance Center.

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2. Ms. Medley notes that since the application deadline for this grant was July 31, 1992, the District Attorney's Office has already applied for this grant. Therefore, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for the proposed grant.

3. Ms. Medley advises that although the term of the proposed grant is July 1, 1992 through June 30, 1993, the District Attorney's Office has not yet accepted or expended the proposed grant funds. The Office of Criminal Justice Planning (OCJP) extended the application deadline for this grant to July 31, 1992 due to uncertainties about the State budget. The District Attorney's Office has been notified that \$279,506 in grant funds would be awarded to the District Attorney's Office, but accepting and expending the proposed grant funds is pending authorization by the Board of Supervisors.

Ms. Medley indicates that since the proposed grant is a continuation grant, expenses have been incurred against the District Attorney's fiscal year 1991-92 grant account with the OCJP in order to continue providing services, and when the proposed grant funds are received, the account would be reimbursed.

4. The \$279,506 includes indirect costs of 5 percent or \$13,975 in the grant budget. Since the indirect costs were not mentioned in the title of the proposed resolution, the proposed resolution should be amended to include indirect costs of \$13,975 based on five percent of the total grant in the title of the proposed resolution.

5. Ms. Medley reports that funding for the Victim Witness Assistance Center comes from criminal penalties and fines assessed against criminals in California. The amount which San Francisco receives annually is based upon a projection of the number of annual victim claims which would be processed in San Francisco. Ms. Medley advises that these funds are legislatively earmarked to provide services for victims of crime.

6. Ms. Medley reports that virtually all of the grant-funded positions within the District Attorney's Office have been treated as temporary positions, and thus, the total fringe benefits of \$22,079 funded by the proposed grant constitute only 9.5 percent of salaries totaling \$231,580.

7. The proposed grant funds of \$279,506 are \$7,485 less than the \$286,991 in grant funds, or a 2.6 percent decrease from

the amount of grant funds which the District Attorney's Office received in fiscal year 1991-92.

8. Attached is a copy of the Grant Application Information Form, as completed by the District Attorney's Office.

9. The District Attorney's Office has completed a Disability Access Checklist, which is in the file.

- Recommendation:**
1. Amend the proposed resolution to authorize the District Attorney's Office to apply for the proposed grant retroactively and to include indirect costs of \$13,975 based on five percent of the total grant in the title of the proposed legislation.
 2. Approve the proposed resolution, as amended.

File Number: _____
Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: District Attorney's Office, Victim Witness Bureau

Contact Person: Donna Medley Telephone: 553-9046

Project Title: Victim Witness Assistance Center

Grant Source: Office of Criminal Justice Planning

Proposed (New / Continuation) Grant Project Summary:

The Victim Witness Assistance Center provides comprehensive services to victims of crime. In 1991-92, approximately 2,400 new clients received crisis intervention and follow-up counseling, court case notification, criminal justice system advocacy, and other supportive services to protect them from re-victimization and aid them in recovering in the aftermath of crime.

Amount of Grant Funding Applied for: \$279,506

Maximum Funding Amount Available: \$279,506

Required Matching Funds: 0

Number of Positions Created and Funded: 5.6

Amount to be Spent on Contractual Services: 0

Will Contractual Services be put out to Bid? n/a

Term of Grant: 7/1/92 - 6/30/93

Date Department Notified of Available funds: 6/23/92

Application Due Date: 7/31/92

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Grantee must be designated by the Board of Supervisors as the agency delivering comprehensive services to crime victims. Legislatively mandated services are described in Section 13835 of the Penal Code. Grantee must also guarantee to provide: translation services at the request of the victim, volunteer opportunities, field visits when appropriate, services to the elderly, assistance with victim compensation, and confidentiality of counseling records.

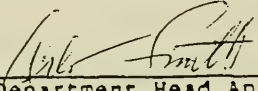
The grantor supplies administrative guidelines through the OCJP Grantee Handbook which is available to all grantees.

Assessment of Need for Grant Funding:

In establishing Victim Witness Assistance Centers, the Legislature declared:
"That there is a need to develop methods to reduce the trauma and undue treatment victims and witnesses may experience in the wake of a crime..."

"It is, therefore, the intent of the Legislature to provide ways of improving attitudes of victims and witnesses toward the criminal justice system and to provide for faster and more complete victim recovery from the effects of crime through centers for victim and witness assistance."

The need for this program in San Francisco is clear when one recognizes that San Francisco ranks 10th in California population but seventh in crime. Analyzing crime statistics and victim profiles, the Victim/Witness Program has responded beyond the requirements and has initiated special projects for the elderly, child victims, juveniles, the Asian and the Latin communities, rape victims, and the business community.



Department Head Approval

Item 1d - File 101-90-84.4

Department: Fire Department
Department of Public Works, Bureau of Engineering

Item: Release of reserved funds for a High Pressure System Extension on Mission Street between Bosworth and 29th Streets.

Amount: \$921,283

Source of Funds: 1986 Fire Protection System Improvement Bonds

Description: In November, 1986, City voters approved the issuance of Fire Prevention System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.

In April, 1991, the Board of Supervisors approved the Fire Department's \$15,200,000 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-90-84) and placed on reserve \$13,506,943 for the purchase, installation and improvements to the City's high pressure water system, including improvements to pump stations, tanks and reservoirs, pending determination of contract amounts and MBE/WBE status. Of the \$13,506,943 on reserve, \$7,902,943 was earmarked to construct a series of high pressure system extensions. Of the \$7,902,943 placed on reserve, \$267,772 was previously released for the construction of a high pressure system extension line in October 1991, (File 101-90-84.1). And, in February 1992, \$909,186 was released from reserve for the construction of a high pressure system extension line, (File 101-91-7.2) Therefore, there is \$6,725,985 still remaining on reserve.

The Fire Department is now requesting a release of \$921,283 for the construction of a high pressure extension line on Mission Street between Bosworth and 29th Streets. The DPW's estimated budget for this high pressure system extension line is as follows:

Construction Contract	\$828,250
Construction Contingency (10%)	82,825
Archaeological Monitoring	
During Construction	<u>10,208</u>
Project Total	\$921,283

Comments: 1. Mr. Bob Jew of the DPW reports that the construction contract was awarded to the contractor McNamara and

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Smallman Construction Inc. as the lowest of two bidders responding to the DPWs Invitation for Bids.

2. Mr. Bayard Fong of the Human Rights Commission (HRC) reports that McNamara and Smallman Construction Inc. is a certified LBE, but is not an MBE or WBE.

3. Mr. Jew estimates that the High Pressure System extension line will be completed in June or July of 1993.

Recommendation: Approve the proposed release of reserve funds.

Item 2 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of August 12, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

As directed by the Finance Committee, the Budget Analyst is working with the Mayor's Budget staff and the Controller's Office to identify various options for increasing City revenues through sales taxes.

Items 3 and 4 - Files 27-92-6 and 27-92-6.1

Department: Airports Commission

Item: Resolution finding the schedule of rates and charges for common use facilities established by the Airports Commission effective July 1, 1992 will be sufficient to pay for maintenance and operation expenses of the Airport and will not require any tax subsidy (File 27-92-6).

Resolution approving changes to the schedule of rates and charges for common use facilities at San Francisco International Airport as established by the Airports Commission (File 27-92-6.1).

Description: The proposed resolutions concern the schedule of landing fees and terminal space rental rates for common use facilities at the San Francisco International Airport. The proposed landing fees and terminal space rental rates to be charged to the airlines have been determined based on a formula that is part of the Lease and Use Agreement between the Airport and the airlines. The Lease and Use Agreement extends these landing fees and rental rates from July 1, 1992 to June 30, 1993. The formula calls for annual adjustments to existing landing fees and rental rates based on Airport surpluses or shortfalls accumulated during the previous two fiscal years in the cost centers from which the fees and rates are collected. The Airport's total surplus from previous years, to be used in calculating the 1992-93 fees and rates, amounts to approximately \$6.5 million.

The proposed landing fees are based on the approved maximum landing weights for each revenue producing aircraft landing at the Airport. The fees are comprised of a base fee per 1,000 lbs. and a surcharge added to the base fee. For the proposed landing fees in Fiscal Year 1992-93, this surcharge is negative, representing a credit for one-half of the combined surplus from terminal and ground side areas. The proposed fee schedule for fiscal year 1992-93 and the actual total fees for 1990-91 and 1991-92 are as follows:

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Proposed 1992-93 Landing Fee Schedule

Base Fee (per 1,000 lbs.)	Surcharge Fee (per 1,000 lbs.)	Total Landing Fee (per 1,000 lbs.)	1991-92	1990-91
			Actual Total Landing Fee	Actual Total Landing Fee
\$0.999	(\$0.224)	\$0.775	\$0.749	\$0.671

As shown above, the landing fee (per 1,000 lbs.) would increase \$0.026 per 1,000 lbs. from \$0.749 per 1,000 lbs. in 1991-92 to \$0.775 in 1992-93, or an increase of approximately 3.5 percent.

In addition, the Airport plans to (1) increase the minimum landing fee from \$25 to \$28 per fixed-wing aircraft weighing less than 36,129 lbs. (less than 33,378 lbs. in 1991-92) that have a landing agreement with the Airport and (2) continue a minimum landing fee of \$9.00 for all rotary-wing aircraft (helicopters) weighing less than 11,613 lbs. (less than 12,016 lbs. in 1991-92) that have a landing agreement with the Airport.

The Airport also plans to increase its surcharge fee schedule for itinerant aircraft effective November 1, 1992. The itinerant surcharge fee is assessed on those air carriers that do not have a permit or lease to operate at San Francisco International Airport. The Airport plans to decrease its \$0.888 rate for 1991-92 to a 1992-93 rate of \$0.86 per 1,000 lbs. of maximum landing weight for each revenue landing by a commercial carrier that does not have a landing agreement with the Airport. This fee schedule would apply to all aircraft which weigh 32,558 or more and for each landing of general aviation fixed-wing or rotary wing aircraft which does not have a landing agreement with the Airport. These itinerant aircraft, both revenue landing and general aviation, would also be subject to minimum landing fees of \$28.00 for all fixed-wing aircraft weighing less than 32,558 lbs. and \$9.00 for helicopters weighing less than 10,465 lbs.

Proposed 1992-93 Terminal Space Rentals

The terminal space rental rates at the Airport are comprised of a base rate determined by the relative value of the space. The proposed 1992-93 rates and actual 1991-92 and 1990-91 rates are as follows:

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<u>Type Space</u>	<u>1992-93 Proposed Total Rate (per sq. ft.)</u>	<u>1991-92 Actual Total Rate (per sq. ft.)</u>	<u>1990-91 Actual Total Rate (per sq. ft.)</u>
Category I	\$44.35	\$44.01	\$36.75
Category II	33.26	33.01	27.56
Category III	22.18	22.01	18.38
Category IV	11.09	11.00	9.19
Category V	4.44	4.40	3.68
Average Rate per Square Foot	\$27.03	\$26.96	\$22.49

As shown in the previous rate table, the average rental rate per square foot would be increased by \$0.07 from \$26.96 to \$27.03, an increase of approximately .3 percent.

The Space Categories are defined as follows:

- Category I: Ticket Counters and Hold Rooms (waiting areas at gates)
- Category II: Ticket Counter Back Offices, VIP Clubs, Baggage Claim Lobbies
- Category III: Administrative and Operations Offices
- Category IV: Baggage Handling Areas
- Category V: Unenclosed or Covered Areas (ramp level)

The Airport will also continue to apply a secondary rental surcharge for those carriers using the Federal Inspection Service Area. The surcharge totals \$62,052, which represents the annual Airport debt service on the shared International Terminal baggage facility. Those airlines using the Federal Inspection Service Area are assessed a surcharge based on the proportion of each airline's passengers using this area to the total number of passengers using this area. This secondary surcharge is to be applied through FY 2012-13.

Comments:

1. According to Mr. John Martin of the Airport, the proposed schedule of fees and rates will be sufficient to cover Fiscal Year 1992-93 Airport costs and a subsidy from the City will not be necessary for 1992-93.

2. Mr. Martin also confirms that the approximately 3.5 percent increase in landing fees and the approximately .3 percent average increase in terminal space rental rates are directly attributable to Department budgetary increases of approximately 4 percent.

3. All proposed landing fees and rental rates would apply retroactively to July 1, 1992 if the proposed resolution (File 27-92-6.1) is adopted, with the exception of minimum landing fees for general aviation aircraft (aircraft other than scheduled airlines or military aircraft) and itinerant surcharge fees. Because of the difficulty in retroactively collecting such landing fees, those fees, which comprise a small portion of total landing fees, would not be retroactively imposed and would remain at the 1991-92 rates for landing fees until November 1, 1992. These fees would then be increased to the proposed 1992-93 landing fee rates.

4. Mr. Martin advises that the Airport expects to collect a total of approximately \$52.3 million in landing fees and terminal rentals in FY 1992-93, an increase of approximately \$200,000, or .4 percent, from the \$52.1 million collected in fiscal year 1991-92.

5. Adoption of the proposed landing fees and rental rates will not affect the Airport's expected contribution to the City's General Fund. Based on the existing Lease and Use Agreement, this contribution is set at 15 percent of all concession revenues collected during the year. According to Mr. Martin, the General Fund contribution from the Airport in 1992-93 is anticipated to be \$15 million, or approximately \$1 million more than the \$14 million budgeted to the General Fund in 1991-92. Mr. Martin further reports that the actual amount contributed to the General Fund for FY 1991-92 was approximately \$14.2 million, which is \$200,000 more than the budgeted amount of \$14 million.

6. According to Mr. Martin, the 1992-93 Airport budget, as approved by the Board of Supervisors, assumed that the rates and fees identified in the subject legislation would be approved.

Recommendation: Approve the proposed resolutions.

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Item 5 - File 97-92-35

Note: This item was transferred from the City Services Committee, as it was determined to have a fiscal impact on the City.

Item: Ordinance amending the San Francisco Administrative Code by adding Chapter 22B thereto, to assign responsibility to the General Manager of the Department of Electricity for designing, implementing and planning an improved telecommunications program for departments, boards, and commissions of the City and County.

Description: The proposed ordinance declares it to be City policy that City and County departments, boards, and commissions be provided with a well-planned, economical, and effective telecommunications system. The proposed ordinance would further require the Department of Electricity (DET) to plan and design an improved telecommunications program for the City, including a cost benefit analysis.

The City currently has no centralized telecommunications system. According to Mr. Dan McFarland of DET, the City would benefit from such a centralized system, in that costs would be reduced and services improved. Mr. McFarland suggests that the Department of Electricity is the most appropriate Department to coordinate such a system. The original proposed legislation would have given DET authority to implement such a centralized telecommunications system. However, the City Services Committee, at its August 4, 1992 meeting, amended the proposed legislation to give DET authority only to develop a specific action plan, including costs and benefits, to be provided by DET to the Board of Supervisors.

Such an action plan would spell out what the objectives of a centralized telecommunications system would be, how DET plans to achieve these objectives, and who would be responsible for carrying them out. The plan would also describe how arrangements would be made to ensure that the transition to centralized telecommunications coordination is an orderly, cost-effective one, and would provide opportunities for prior consultation with and surveying of various City departments to ensure that any concerns about the transfer of telecommunications staff and resources to DET have been addressed before a more comprehensive implementation ordinance is approved.

The proposed ordinance defines telecommunications as including the following: voice communications systems; the transmission, communication, and transport links up to the demarcation point between and among systems for voice, messaging, data information, alarm, public safety, wireless, cellular, video, and the Mayor's Emergency Telephone System; and required support activities for these systems such as billing services and financial analysis.

The proposed legislation is an Amendment to the Whole, as amended by the City Services Committee on August 4, 1992.

Comments:

1. Although the title of the proposed ordinance, as it appears on the calendar for the August 19, 1992 Finance Committee meeting, reads: "Ordinance. . . to assign responsibility to the General Manager of the Department of Electricity for designing, implementing and coordinating an improved telecommunications program," as noted above, the proposed ordinance was amended by the City Services Committee to assign responsibility to the General Manager of the Department of Electricity only for planning and designing an improved telecommunications program, not for implementing and coordinating such a program.

2. Mr. McFarland advises that, in order to prepare a specific action plan, DET must secure billing information on all City departments from Pacific Bell, AT&T and all other telecommunications vendors. Mr. McFarland reports that approval of the proposed legislation would give DET the authority to secure such information.

3. In order to complete the proposed action plan, the proposed ordinance would authorize DET to survey all City departments, and develop specific plans about developing a City-wide telecommunications system, including implementation costs, and what cost savings could realistically be achieved.

4. Mr. McFarland reports that benefits that would accrue from a centralized telecommunications system are as follows:

(a) centralized telecommunications procurement contracts for equipment and services could result in greater price discounts;

(b) one City agency will be responsible for ensuring that all City telephone bills are paid on time, thus eliminating costly late payments. DET estimates that late payments for City departments may currently total \$5,000 to \$10,000 annually;

(c) duplications in service would be eliminated;

(d) existing equipment would be fully utilized;

(e) DET could ensure that the City's telephone costs would be accurately billed at uniform prices;

(f) DET would work with all major user departments to analyze telecommunications requirements and propose more efficient methods of operation, such as consolidation of telephone operators throughout the City.

5. Mr. McFarland reports that DET met with representatives of the Management Information System (MIS) Divisions within the San Francisco International Airport, the Public Utilities Commission (PUC), the Department of Public Health (DPH) and the Controller's Information Systems Division (ISD) to clarify the definition of "telecommunications" in the proposed legislation to exclude data processing equipment or services that are directly managed by City MIS Divisions from the definition of "telecommunications." An Amendment to the Whole, containing these changes, was approved by the City Services Committee on August 4, 1992.

6. Mr. McFarland has indicated that DET intends to provide the Finance Committee with a comprehensive plan for implementing a centralized telecommunications system on Wednesday, August 19, 1992, such as the one described in the proposed ordinance. As of the writing of this report, the Budget Analyst has not received a copy of DET's comprehensive plan. In order for the Department of Electricity to have the authority to coordinate and implement this plan: (1) the plan would have to meet the approval of the Board of Supervisors; and (2) the Department of Electricity would have to introduce subsequent legislation requesting authorization to coordinate and implement the plan.

7. Mr. McFarland reports that after a detailed plan has been developed, DET will request separate authorization from the Board of Supervisors to implement a City-wide telecommunications system.

8. As previously discussed, on August 4, 1992, the City Services Committee amended the proposed ordinance and recommended approval of the proposed Amendment of the Whole.

9. The proposed ordinance would have no fiscal impact, since it would authorize only an action plan, and would not authorize any implementation on the part of the Department of Electricity.

Recommendation: Approve the proposed ordinance.

Items 6 and 7 - Files 53-92-3 and 53-92-3.1

Note: These items were transferred from the City Services Committee on August 4, 1992 because these items were determined to have fiscal impact.

Department: Department of Public Works (DPW),
Clean Water Enterprise

Item: Resolution adopting Final Negative Declaration, finding and determining that the proposed construction of the Islais Creek Transport/Storage Project Modifications will have no significant impact on the environment, and adopting and incorporating findings of Final Negative Declaration (File 53-92-3).

Resolution approving the Department of Public Works construction of the Islais Creek Transport/Storage Project Modifications (53-92-3.1).

Description: The Islais Creek Transport/Storage Project is one of several Combined Sewer Outflow (CSO) Control Facilities in the City's Master Plan for Wastewater Management. The project is located within the City adjacent to the San Francisco Bay and is intended to transport combined sewage flow to the Southeast Water Pollution Control Plant in order to reduce the number of overflows into San Francisco Bay during the rainy season.

On November 3, 1988, the City Planning Department completed a Final Negative Declaration which analyzed the potential environmental impacts of the Islais Creek Transport/Storage Project. The project was subsequently approved by the Board of Supervisors in May of 1989 (File 53-90-2.1) and construction of a portion of the project has already begun. The DPW reports that during the final design of the project, Clean Water Enterprise engineers identified the need to change the alignment of a portion of the project facility and construct a new controlled overflow structure, and replace a railroad bridge trestle. As such, a new Final Negative Declaration was prepared by the City Planning Department.

The DPW advises that the original project design included a 90-inch diameter pipe to be constructed in the 41-foot right-of-way on the south side of Army Street under the crossing of the Southern Pacific railroad trestle bridge, situated between Third Street and Evans Avenue. According to DPW, the proposed design modifications to the project require the construction of a 20-foot wide reinforced concrete transport storage box structure in place of the 90-inch pipe in the right-

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of-way on the south side of Army Street. To accommodate the larger facility, it would be necessary to remove and replace the Southern Pacific railroad trestle bridge. In addition, a new 20-foot wide transport storage structure to accommodate increased flows would be required between the right-of-way at the south side of Army Street, southerly to Main Street. Finally, a new overflow structure would be required along the northerly shoreline at the Islais Creek Channel within the bounds of Marine Street.

Comments:

1. Mr. Manfred Wong of the DPW reports that the Islais Creek Transport/Storage Project is being implemented in five phases, at a total estimated cost of \$128,000,000. The project modifications, which are the subject of this report, represent one of the five project phases. The DPW has estimated that the project modifications will cost \$24,000,000, as detailed below:

Construction Contract	\$20,500,000
Contingency (10%)	<u>2,000,000</u>
Subtotal	\$22,500,000
Contract Management	<u>1,500,000</u>
Total	\$24,000,000

2. Mr. Wong advises that the DPW intends to request a supplemental appropriation in the amount currently estimated at \$24,000,000 to cover the cost of the project modifications by the Spring of 1993. The source of funds for the supplemental appropriation would be a combination of previously issued Sewer Revenue Bond funds and State Revolving Loan funds. This will be the subject of a separate request, subject to approval of the Board of Supervisors.

3. The Department of City Planning has adopted and issued the Final Negative Declaration for the proposed construction of the Islais Creek Transport/Storage Project Modifications and will monitor compliance with the mitigation measures set forth in the Negative Declaration, in accordance with a mitigation monitoring and reporting program prepared by the Office of Environmental Review.

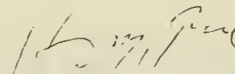
4. The DPW advises that the Islais Creek Transport/Storage Project is designed to achieve compliance with cease and desist Order No. 88-105 adopted by the California Regional Water Quality Board (RWQCB), which prohibits sewage discharges into San Francisco Bay. According to DPW, if the Islais Creek Transport/Storage Project is not built, the City could be found in violation of the RWQCB's cease and desist order. Potential fines of up to \$25,000 per day and the

BOARD OF SUPERVISORS
BUDGET ANALYST

prohibition of new sewer connections could be imposed on the City by the RWQCB.

5. On August 4, 1992, the City Services Committee recommended approval of the proposed resolutions.

Recommendation: Approve the proposed resolutions.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

CALENDAR

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.
AUG 24 1992
SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, AUGUST 26, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 133-92-2. [Solid Waste Management] Resolution authorizing the Chief Administrative Officer of the City and County of San Francisco to accept and expend \$2,896,061 in funds from the Sanitary Fill Company to be used for the Solid Waste Management Program Projects. (Chief Administrative Officer)
 - (b) File 146-92-59. [Grant - State Funds] Resolution authorizing the Department of Health, Family Health Bureau, Dental Bureau, to apply for, accept and expend a continuation grant of \$27,000 which includes indirect costs in the amount of \$3,095, based on twenty percent of salaries from the State Department of Health Services, Dental Section, for dental health education in San Francisco elementary schools; providing for ratification of action previously taken. (Department of Public Health)
 - (c) File 146-92-60. [Grant - State Funds] Resolution authorizing the Department of Public Health, Bureau of Epidemiology and Disease Control, to apply for a grant of \$831,847, which includes indirect costs in the amount of \$68,424 based on twenty percent of salaries, from State Department of Health Services for the continuation of the Hepatitis B Demonstration Project. (Department of Public Health)
 - (d) File 192-92-5. [Grant - AB 434 Funds] Resolution authorizing the Acting Executive Director of the Department of Parking and Traffic to apply for a grant in the amount of \$200,000 from Bay Area Air Quality Management District AB 434 Clean Air Plan funds for a Traffic Signal Interconnection Project on 19th Avenue, foregoing reimbursement of indirect costs. (Department of Parking and Traffic)

- (e) File 101-91-38.3. [Release of Funds] Requesting release of reserved funds, Public Library, in the amount of \$120,000, for expanded scope of exploratory excavation (\$80,000) and archaeological documentation (\$40,000) for the new Main Library Project. (Public Library)

ACTION:

REGULAR CALENDAR

2. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 8/19/92)

ACTION:

3. File 68-92-4.1. [Home Program] Resolution approving procedures for allocating Home Program Funds, and authorizing the Mayor of the City and County of San Francisco to encumber and authorize release of a grant of Home Program Funds from the U.S. Department of Housing and Urban Development for a total amount not to exceed Eight Million, Two Hundred Six Thousand Dollars (\$8,206,000). Direct and indirect costs associated with the acceptance of these grant funds will be paid by Community Development Block Grant Funds. (Mayor's Office of Economic Planning and Development)
(Cont'd from 8/12/92)

ACTION:

4. File 82-92-6. [Grant of Easement] Ordinance authorizing grant of twenty year easement of City-owned property (Public Utilities Commission and its Hetch Hetchy Project) to the City of Modesto, in Stanislaus County for use as a bicycle path. (Real Estate Department)

ACTION:

5. File 27-92-7. [Seismic Safety Retrofit Program] Resolution authorizing the Airports Commission to enter into an agreement with the Department of Transportation, State of California for participation in the Seismic Safety Retrofit Program. (Airports Commission)

ACTION:

6. File 30-92-8. [Patient Day Rates] Resolution fixing patient day rates for services furnished by City and County Health Care Institutions and rescinding Resolution No. 367-92; effective July 1, 1992. (Department of Public Health)

ACTION:

7. File 210-92-2. Hearing to consider the investment policies of the San Francisco Employees' Retirement System Board. (Supervisor Gonzalez)

ACTION:

8. File 161-92-5. [Redevelopment Agency Budget and Bonds] Resolution approving an amendment to the Budget of the Redevelopment Agency of the City and County for fiscal year 1992-93; the issuance of not to exceed \$550,000 of tax allocation bonds; an appropriation of \$55,000 for fiscal year 1992-93; and an amendment to the indebtedness limitation agreement. (Supervisor Kennedy)

ACTION:

9. File 123-92-3. [Public Pay Telephones] Ordinance amending Public Works Code by amending Sections 706, 950, 952, 953, 954, 957, 958, 959, and 960, adding Sections 950.1 and 950.2 and deleting Section 962, regulating the installation and maintenance of public pay telephones on public sidewalks, requiring permits and the deposit of fees therefor and providing for enforcement of said permitting requirements; 14-month review. (Department of Public Works)
(Transferred from Economic and Social Policy Committee 8/11/92 – Fiscal Impact)

ACTION:

10. File 52-92-5. [Underground District] Ordinance creating Underground District No. 317 in Sutro Heights District. (Supervisor Maher)
(Transferred from City Services Committee 8/18/92 – Fiscal Impact)

ACTION:

11. File 52-92-5.1. [Lighting Assessment District – Sutro Heights] Resolution determining to undertake proceedings to form an assessment district pursuant to Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972, as adopted by Article 6.1, Subarticle VIII, Chapter X, Part II of the San Francisco Municipal Code (Public Works Code), for the purposes of installing street lighting in the Sutro Heights District; companion measure to File 52-92-5. (Supervisor Maher)
(Transferred from City Services Committee 8/18/92 – Fiscal Impact)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

**IMPORTANT
HEARING NOTICE**

San Francisco
Public Library
Civic Center
S.F. CA 94102

D 0246

D 0341



CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642
August 24, 1992

TO: Finance Committee

DOCUMENTS DEPT.

FROM: Budget Analyst

AUG 25 1992

SUBJECT: August 26, 1992 Finance Committee Meeting

SAN FRANCISCO
AUG 24 1992

Item 1a - File 133-92-2

Department: Chief Administrative Officer (CAO)
Solid Waste Management Program

Item: The proposed resolution would authorize the Chief Administrative Officer to accept and expend \$2,896,061 from the Sanitary Fill Company to be used for the Solid Waste Management Program projects.

Amount: \$2,896,061

Source of Funds: Refuse Collection and Disposal Fees Impound Account

Description: The Sanitary Fill Company, a partnership of Sunset Scavenger Company and Golden Gate Disposal Company, contracts to operate the City's refuse collection center and to haul refuse to the landfill site in Altamont. The Refuse Collection and Disposal Rate Board, consisting of the Chief Administrative Officer, General Manager of the Public Utilities Commission, and the Controller, requires that the Sanitary Fill Company set aside a certain amount each year from the refuse collection fees charged to San Francisco residents and businesses in an impound account. This set-aside of fees is calculated based on the number of tons of solid waste collected by the refuse contractors. A portion of the impound account is used to finance the City's Solid Waste Management Program budget plus other landfill-related costs. For 1992-93, the set-aside amount is \$2,545,456, which is the same amount set-aside in 1991-92, excluding carryover funds.

The 1992-93 set-aside amount of \$2,545,456 would be supplemented with \$255,605 from carryover funds from the 1991-92 budget plus \$95,000 from previously unallocated funds earmarked for the Solid Waste Management Program, for a total amount available for 1992-93 of \$2,896,061. The 1992-93 budget for the Solid Waste Management Program is outlined below:

Solid Waste Management Administration	\$587,454
Recycling Program	1,409,487
Solid Waste Management Planning	245,838
Hazardous Waste Planning	<u>653,282</u>
	\$2,896,061

A comparison of the 1991-92 and 1992-93 budgets for this Program is attached (see Attachment I).

Goals of the four operating programs within the Solid Waste Management Program and descriptions of proposed major program increases changes for 1992-93 are as follows:

Solid Waste Management Administration

The Solid Waste Management Administration is responsible for implementing State requirements resulting from the passage of AB 939, which requires counties to monitor waste streams as well as to reduce waste through recycling and source reduction programs. AB 939 mandates a recycling and source reduction goal of 25 percent of all waste by 1995 and 50 percent of all waste by the year 2000. Solid Waste Management Administration also performs overall administrative functions for the Solid Waste Management Program. Major program increases proposed for 1992-93 are as follows:

1. Salaries	\$75,648
2. Office Supplies and Equipment	20,500
3. Materials and Services	<u>46,500</u>
Subtotal	\$142,648

Recycling Programs

The goal of the Recycling Programs is to reduce the amount of garbage generated in the City which will have to be disposed of in the landfill. Activities undertaken to achieve these goals include increasing awareness of existing programs and planning and implementing new programs where needed. Major program increases proposed for 1992-93 are as follows:

1.	Salaries	\$52,297
2.	School Education:	
	Professional Services	20,500
	Materials and Supplies	18,000
3.	Community Outreach:	
	Professional Services	125,850
	Grants	12,000
4.	Program Support:	
	Grants	25,000
5.	Research and Development:	
	Professional Services	17,500
6.	Office Paper Recycling:	
	Professional Services	<u>16,000</u>
	Subtotal	\$287,147

County Solid Waste Management Planning

The purpose of the Solid Waste Management Planning Program is to identify and implement long range management strategies for the City's solid waste stream and to assist in the analysis of rates for solid waste collection and disposal so as to ensure efficient, reliable and cost effective services to San Francisco's rate payors. The Solid Waste Management Program proposes one major program increase for 1992-93:

Professional Services	\$70,000
-----------------------	----------

Hazardous Waste Management Programs

The goal of the Hazardous Waste Management Programs is to keep hazardous waste out of the San Francisco Municipal solid waste stream. One of these programs, the Waste Acceptance Control Program (WACP), is specifically required under an agreement that San Francisco has with the Altamont Landfill in Alameda County, for the disposal of San Francisco's municipal waste. Other programs significantly complement the WACP efforts by encouraging toxic waste reduction and proper management by waste generators, including small businesses and households. These programs are incorporated in San Francisco's County Hazardous Waste Plan. Major program increases proposed for 1992-93 are as follows:

1. Salaries	\$15,723
Provides for a 6.8 percent increase in accordance with the 1992-93 Salary Standardization.	
2. Services of Other Departments	41,000
3. Hazardous Waste Facility Outreach and Education	55,000
Subtotal	<u>\$ 111,723</u>
Total	\$611,518

The CAO has prepared detailed explanations for the above noted line item expenditures for the Solid Waste Management Program (see Attachment II).

Comment:

Of the total \$774,910 budgeted for professional services, \$668,850 is earmarked for consulting services. The remaining \$106,060 is for other expenditures such as the expansion of the educational program and City mail room services. Because not all of the consultants have been selected, the proposed budget funding in the amount of \$668,850 for consulting services should be reserved pending selection of the consultants so that information regarding estimated hours, hourly rates and MBE/WBE allocations can be provided.

Recommendation: Amend the proposed legislation to reserve a total of \$668,850 for consulting services pending information regarding estimated hours, hourly rates and MBE/WBE status and approve the proposed legislation as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

2-Aug-92 EXHIBIT A PROPOSED SOLID WASTE MANAGEMENT BUDGET -- FY 1992-93

PROJECT	WK PH	DESCRIPTION	FY 91-92	FY 92-93	DIFFERENCE
010		SOLID WASTE ADMINISTRATION			
01		SALARIES	267,306	342,954	75,648
03		OFFICE SUPPLIES AND EQUIPMENT	30,000	50,500	20,500
04		MATERIALS & SERVICES	112,000	158,500	46,500
05		SERVICES OF OTHER DEPARTMENTS	30,000	35,500	5,500
		Administration Total	439,306	587,454	148,148
020		RECYCLING PROGRAMS			
01		SALARIES	293,095	345,392	52,297
030		SCHOOL EDUCATION			
01		SERVICES OF OTHER DEPARTMENTS	11,500	16,500	5,000
02		PROFESSIONAL SERVICES	56,000	76,500	20,500
03		MATERIALS & SERVICES	3,000	21,000	18,000
		School Education Total	70,500	114,000	43,500

02-Aug-92 EXHIBIT A PROPOSED SOLID WASTE MANAGEMENT BUDGET -- FY 1992-93

PROJECT	WK PH	DESCRIPTION	FY 91-92	FY 92-93	DIFFERENCE
=====	=====	=====	=====	=====	=====
040		COMMUNITY OUTREACH			

	01	SERVICES OF OTHER DEPARTMENTS	100,000	15,150	(84,850)

	02	PROFESSIONAL SERVICES	50,000	175,850	125,850

	03	MATERIALS & SERVICES	76,000	62,765	(13,235)

	04	GRANTS	0	12,000	12,000

		Community Outreach Total	226,000	265,765	39,765

050		DEVELOPMENT FUND			

	01	PROFESSIONAL SERVICES			
		Development Fund Total	60,000	58,300	(1,700)

060		PROGRAM SUPPORT			

	02	PROFESSIONAL SERVICES	70,000	50,000	(20,000)

	03	GRANTS	330,000	355,000	25,000

		Program Support Total	400,000	405,000	5,000

EXHIBIT A		PROPOSED SOLID WASTE MANAGEMENT BUDGET -- FY 1992-93			
PROJECT	WK PH	DESCRIPTION	FY 91-92	FY 92-93	DIFFERENCE
=====					
RESEARCH & DEVELOPMENT					

070	D1	SERVICES OF OTHER DEPARTMENTS	14,300	11,800	(2,500)

	02	PROFESSIONAL SERVICES	77,500	95,000	17,500

	03	MATERIALS & SERVICES	36,230	36,230	0

		Research & Development Total	128,030	143,030	15,000

OFFICE PAPER RECYCLING					

	01	SERVICES OF OTHER DEPARTMENTS	10,000	10,000	0

	02	PROFESSIONAL SERVICES	8,000	24,000	16,000

	03	MATERIALS & SERVICES	41,000	44,000	3,000

		Office Paper Recycling Total	59,000	78,000	19,000

		RECYCLING TOTAL	1,236,625	1,409,487	172,862
=====					

02-Aug-92 EXHIBIT A PROPOSED SOLID WASTE MANAGEMENT BUDGET -- FY 1992-93

PROJECT	WK PH	DESCRIPTION	FY 91-92	FY 92-93	DIFFERENCE
090		COUNTY SOLID WASTE MANAGEMENT PLANNING *****			
	02	SALARIES	63,226	63,838	612
	01	PROFESSIONAL SERVICES	110,000	180,000	70,000
	03	SERVICES OF OTHER DEPTS.	0	2,000	2,000
		CO. SOLID WASTE MGMT TOTAL	173,226	245,838	72,612
100		HAZARDOUS WASTE PLANNING *****			
	03	HAZARDOUS WASTE SALARIES	230,299	246,022	15,723
	01	SERVICES OF OTHER DEPARTMENTS	131,000	172,000	41,000
	02	PROFESSIONAL SERVICES	270,000	115,260	(154,740)
	05	HAZARDOUS WASTE FACILITY OUTREACH & EDUCATION	65,000	120,000	55,000
00		HAZARDOUS WASTE TOTAL	696,299	653,282	(43,017)



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

SOLID WASTE MANAGEMENT PROGRAM

SAN FRANCISCO RECYCLING PROGRAM • HAZARDOUS WASTE MANAGEMENT PROGRAM

TO: Sandy Brown Richardson
Budget Analyst

FROM: Joseph Johnson
Solid Waste Management Director

DATE: August 24, 1991

SUBJECT: FY 1992-93 Solid Waste Management Program Budget

Per your request, we have compiled the following explanations for the increases appearing in the FY 1992-93 budget as compared to last fiscal year's budget.

010 Administration**010-01: - Salaries**

- In FY 1991-92 an existing part-time CAO VII position was restructured as a full-time CAO VI to provide needed financial management and personnel services for the department. The change is reflected in the FY 1992-93 salary budget.
- In addition, temporary salaries have been increased to meet the need for additional accounting and budget management support from the CAO's general office.

010-03: - Office Supplies and Equipment

- The increases in this category are for the purchase of chairs for work stations, etc., for additional computers to be used by new employees and to establish maintenance agreements for existing and new equipment.

010-04: - Materials and Services

- Changes in this category include funding to meet increases in postal costs, additional rent charges and increases for publications and staff training.

020 Recycling Salaries**020-01:**

- This budget request includes the replacement of an existing contract intern position with a temporary Civil Service position. (CAO I). The replacement will save money on overhead costs. The position is an essential part of the departments school education program.

030 School Education Program**030-02: - Professional Services**

The difference is \$20,500 due to

- increase in the number of field trips per year;
- expansion of the field trips program to include a composting education program at SLUG;
- expansion of assembly programs to middle and high schools;
- revisions in the 6-12 curriculum.

030-03: - Materials and Supplies

The difference is \$18,000 due to:

- expansion of the resource library;
- increase in the number of requests for educational materials;
- starting of the Awards program for teachers;
- providing more classroom containers for papers recycling;
- and, reallocation of local travel expenses from solid waste administration (010-04) to 030-03.

040 Community Outreach**040-02: - Professional Services**

- Last year we launched a major direct mail campaign. The costs for this campaign were primarily postage and mailing services, both of which are functions of the City's mailroom.
- This year, our composting education program and our commercial recycling programs will grow significantly requiring the services of a Public Relations firm to be retained to promote these programs. Hence, we see a drop in the 01 category and an increase in the 02 category.

040-04: - Grants

- This new category was created to provide grant funds for the printing of two publications - an Art-from-Garbage Manual for S.F. Teachers which will be jointly produced with the Artist-in-Residence Program and a local resource guide for S.F. residence to purchase recycled products; the latter publication will be produced jointly with Sustainable City, a non-profit environment organization.

060 Program Support**060-03: - Grants**

- An additional \$30,000 has been put into this grant section for the recycling centers to conduct a feasibility study(s) for a remanufacturing project, which may include an urban ore, plastics processing or wooden pallet remanufacturing/reuse study.
- Additionally, the Scrounger's Center for Reusable Art Parts (SCRAP) '92-'93 budget is \$25,000. Funding has been increased by \$5,000 from last year's budget for the expansion of the Center and was transferred from the 070-02 category into 060-03 for this year's budget.
- The San Francisco Conservation Corps (SFCC) '92-'93 budget is \$50,000 and has been decreased by \$30,000 for this year's budget.

070 Research & Development**070-02: - Professional Services**

- The Christmas Tree Recycling Program '92-'93 budget is \$15,000 and has been increase by \$4,500 for the expansion to a city-wide curbside collection program.
- The Scrounger's Center for Reusable Art Parts (SCRAP) funding (FY '91-'92 = \$15,000) has been transferred into the 060-03 category for this year's budget.
- \$35,000 was included as a new project for the development of a guidebook for on-site composting at institutions (schools, city departments, hospitals, etc.).
- A Goodwill pilot project of \$7,000 for the curbside collection of reusables from the '91-'92 budget funding has been discontinued in the '92-'93 budget.

080 Office Paper Recycling**080-02: - Professional Services**

- The \$16,000 increase to this section 080-02 is for the development, design and printing of technical assistance materials used by businesses, to increase recycling, waste reduction and procurement of recycled products.

090 Solid Waste Management Planning**090-01: - Professional Services**

- Norcal Solid Waste Systems, the City's refuse service provider, has indicated its intention to request a rate increase in FY 1992-93. Funds in this category have been augmented to provide consulting services for the review of financial documents submitted by Norcal in support of the rate increase and to provide the services of DPW and the City Attorney in the rate review process.

100 Hazardous Waste**100-01: - Services of Other Departments**

- Part of the increase in this category is for increased legal support for enforcement against illegal dumping and for the review of proposals to collect small business hazardous wastes. The rest of the increase is for reducing the amounts of hazardous materials used and the amounts of hazardous wastes generated by City departments.

100-05: - Hazardous Waste Facility Outreach and Education

- Part of the increase is to develop educational materials to promote the use of non-toxic household products and the proper management of household hazardous waste for dissemination to schools and the general public. The rest of the increase is for the safe collection of used needles and syringes so as to minimize their disposal in the trash, which has caused injuries to sanitation workers.

If you have any questions regarding this information, please do not hesitate to let me know. I can be reached at 554-3423.

Item 1b - File 146-92-59

Department: Public Health, Family Health Division, Dental Bureau

Item: Resolution authorizing the Department of Public Health, Family Health Division, Dental Bureau, to apply for, accept and expend a continuation grant of \$27,000, which includes indirect costs in the amount of \$3,095, based on 20 percent of salaries, from the State Department of Health Services, Dental Section, for dental health education in San Francisco elementary schools; providing for ratification of action previously taken.

Grant Amount: \$27,000

Grant Period: July 1, 1992 to June 30, 1993

Source of Funds: State Department of Health Services, Dental Section

Project: Dental Health Education in San Francisco Elementary Schools

Number of Persons Served: 6,000 children

Description: The proposed \$27,000 grant would support an education program for pre-school and elementary school children. The program would provide dental and nutritional education, dental screening and follow-up, and teacher training. The goal of the program is to provide increased dental health knowledge and decrease dental disease risk factors.

Project Budget:

<u>Personnel</u>	
Project Educator (.6 FTE)	\$15,475
Fringe Benefits	<u>3,869</u>
Total Personnel	\$19,344
<u>Office Supplies</u>	3,661
<u>Staff Travel</u>	900
<u>Indirect Costs</u>	<u>3,095</u>
TOTAL PROJECT BUDGET	\$27,000

Required Match: None.

Indirect Costs: \$3,095, based on 20 percent of salary costs, not including fringe benefits

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. The proposed grant of \$27,000 represents an increase of 112 percent, or \$14,292, increase over the previous year's grant of \$12,708. The proposed grant would support the seventh year of an on-going program.
2. The DPH advises that the Department has already applied for the proposed grant prior to approval by the Board of Supervisors, since the application deadline was June 12, 1992. According to the DPH, no funds have been expended against the proposed grant. Therefore, the proposed resolution would provide for the ratification of action previously taken by the DPH.
3. The DPH advises that if the proposed grant were reduced or terminated, personnel would be reduced or terminated accordingly.
4. The Department has completed a Disability Access Checklist, which is in the file.
5. A Summary of Grant Request form, as completed by the Department, is attached.

Recommendation: Approve the proposed resolution.

State Dept. of Health Services
 Director Person Dick Lowmyer
 Address: 601 North 7th Street
Sacramento 95814
 Amount Requested \$ 27,000
 From 7-1-92 To 6-30-93
 Health Commission _____ Board of Supervisors: Finance Committee _____

Division Family Health
 Section Dental Bureau
 Contact Person Samantha Stephen
 Telephone 468-3175
 Application Deadline 12 June 1992
 Notification Expected 29 June 1992
 Full Board _____

Item Description: Request to (apply for) (accept and expend) a ~~(new)~~ (continuation) (allocation) (augmentation) grant in the amount of \$ 27,000 from the period of 7-1-92 to 6-30-93 to provide dental health education in S.F. elementary schools services.

Summary: (Concise summary, brief statement of purpose, goals, objectives, and provisions)

This grant funds an education program in its 7th year to pre and elementary school children. This program provides dental and nutrition education, dental screening and follow-up and teacher training, and will serve 6000 children targeted as the most needy.

Outcomes/Objectives:

It is expected that increased dental health knowledge and decrease dental disease risk factors will result after learning healthy behaviors.

Effects of Reduction or Termination of These Funds:

More dental disease among children in San Francisco.

Financial Information:

	Col. A	Col. B	Col. C	Col. D	Rec. Match	Approved by
	Two Years Ago	Prev Year/Orig.	Proposed	Change		
Grant Amount	8325	12708	27000	14292	None	
Personnel	5658	10752	19344	8592		
Equipment	0	0	0	0		
Contract Svc.	0	0	0	0		
Mt. & Supp.	2300	921	3661	2740		
Utilities/Space	0	0	0	0		
Other Travel	250	400	900	500		
Direct Costs	117	635	3095	2460		

Grant Processing

(none included above)

Personnel

CSC			1.0		
CSC					
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

0

Contractual Services: Open Bid

Sole Source

(If sole source, attach Request for Proposals form)

Item 1c - File 146-92-60

Department: Department of Public Health (DPH)
Bureau of Epidemiology and Disease Control

Item: Resolution authorizing the Department of Public Health to apply for a continuation grant, which includes indirect costs of \$68,424 based on 20 percent of salaries.

Grant Amount: \$831,847

Grant Period: January 1, 1993 through December 31, 1993

Source of Funds: State Department of Health Services

Project: Hepatitis B Demonstration Project

Description: The proposed grant would fund a multi-year, two-part Hepatitis B immunization (prevention) project. The proposed funding would augment DPH's current perinatal Hepatitis B prevention program which identifies Hepatitis B carrier mothers and follows their infants and household contacts to ensure appropriate Hepatitis B prevention. The ultimate goal of the proposed demonstration project is the elimination of Hepatitis B transmission in San Francisco. DPH intends to demonstrate in the proposed project that it is possible to concurrently and effectively implement two separate programs which are expected to be part of any comprehensive Hepatitis B elimination strategy. These components are:

Infant Program: A program to assure the immunization, for Hepatitis B, of the estimated 14,000 infants to be born in San Francisco in 1993.

Adolescent Program: A program to provide vaccine (including Hepatitis B and measles vaccine) to approximately half of all 7th grade students in the San Francisco Unified School District.

Budget:	<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
	Project Director	1.00	\$49,824
	Admin. Assistant	1.00	38,028
	Health Educator	1.00	47,880
	Sr. Data Entry Operator	1.00	27,504
	Health Worker II	2.00	57,600
	Secretary II	1.00	27,696
	MIS Specialist	1.00	41,868
	Sr. Disease Control Spec.	0.5	19,632

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 26 , 1992

<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>	
Public Service Aide	1.00	\$24,216	
Data Entry Operator	As needed	3,786	
Registered Nurse	As needed	<u>4,084</u>	
Total salaries			\$342,118
Fringe benefits (26%)	—	<u>88,951</u>	
Total Personnel	9.5		\$431,069

Operating Expenses

Office Supplies	\$3,500	
Clinic Supplies	2,500	
Computer Supplies	1,500	
Photo Copier	5,200	
Reproduction & Mail	3,500	
Health Education Materials	10,000	
Equipment	9,900	
Media Relations	25,000	
Hospital Participation (Stipends)	75,000	
SF Unified School District (Work Order)	168,778	
Travel	8,000	
Rent and Phones	<u>19,476</u>	
Subtotal Operating Expenses		\$332,354
Indirect Costs		<u>68,424</u>
Total Budget		\$331,847

Required Match: None

No. of Persons Served: 14,000 infants and half of all seventh grade students in the San Francisco Unified School District

Indirect Costs: \$68,424 or 20 percent of salaries

Comments: 1. The proposed grant application is due on September 11, 1992.

2. The \$25,000 budgeted for Media Relations would fund a widespread media campaign, such as public service announcements, advertisements in newspapers or journals and related media activities. A term purchase agreement would be established with various local news media agencies.

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3. The Department has included \$75,000 for hospital stipends to provide an incentive of \$5.00 per infant immunized plus an additional \$5,000 to provide funding if actual births exceed 14,000 to the following six participating hospitals in San Francisco:

Chinese Hospital	\$3,000
St. Lukes Hospital	10,500
UCSF Hospital	10,500
San Francisco General Hospital	11,250
Kaiser Permanente	13,500
California Pacific Hospital*	<u>26,250</u>
Total	\$75,000

* California Pacific Hospital would receive considerably more funding than the other hospitals because California Pacific Hospital delivers the largest number of San Francisco's infants.

4. The Department has also included \$168,778 to the San Francisco Unified School District to fund a program to immunize 7th grade students for Hepatitis B and measles. The \$168,778 would be allocated as follows:

Personnel

Nurses	\$89,444	
Health Workers	25,496	
Teacher Stipends	2,936	
Computer Consultant*	5,000	
Theater Consultant**	<u>4,000</u>	
Total Personnel		\$126,876

Operating Expenses

Office Supplies	2,050	
Medical Supplies	1,000	
Incentives	5,250	
Mileage	2,000	
PC, printer & software	5,000	
Outside Evaluator		
(Personal Services Contract)	<u>14,100</u>	
Total Operating Expenses		<u>29,400</u>
Subtotal		\$156,276

Indirect Cost (8%)	<u>12,502</u>
Total	\$168,778

These monies would be work ordered to the San Francisco Unified School District.

* The Computer Consultant would be responsible for augmenting the District's existing immunization data base and adopting it to use for evaluating the Hepatitis B and measles program.

** The Theater Consultant would develop creative strategies to motivate the 7th grade students to get their parents to sign and return the consent forms for the Hepatitis B and measles immunizations.

5. Attached is a summary of grant request form prepared by the Department for the proposed grant.

6. The Department has completed a Disability Access Checklist that is included in the Board of Supervisors file.

Recommendation: Approve the proposed resolution.

State Dept. of Health Services

Director

Person

Address

Les Burd

2151 Berkeley Way

Berkeley, CA 94704

Amount Requested

From

To

831,847

1/1/93

12/31/93

Division

Section

Contact - Person

Telephone

Application Deadline

Notification Expected

Community Public Health Services

Epidemiology & Disease Control

Carlos Rendon

554-2832

September 11, 1992

November 15, 1992

Health Commission

Board of Supervisors:

Finance Committee

Full Board

N/A

August 26, 1992

August 31, 1991

Item Description:

Request to (apply for) ~~(accept and extend)~~ 2 ~~(new)~~ (continuation) (allocation) (augmentation) (a) grant in the amount of \$ 831,847 from the period of 1/1/93 to 12/31/93 to provide Hepatitis B Demonstration Project services.

I. Summary:

(Concise summary, brief description, number - groups served, services and providers)

These are funds to support the continuation of the HEPATITIS B DEMONSTRATION PROJECT. The project components are: an infant program to assure the immunization for Hepatitis B, of all infants born in San Francisco and an adolescent program to provide Hepatitis B immunization to 7th graders in SF Unified Schools.

III. Outcomes/Objectives:

Elimination of Hepatitis B in San Francisco if these immunization practices are institutionalized after the Demonstration project is completed.

IV. Effects of Reduction or Termination of These Funds:

This demonstration project is intended to serve as a demonstration model for universal infant immunization of Hepatitis B nationwide.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Rec. Match	Approved by
	Two Years Ago	Part Year/Orig.	Proposed	Change		
Grant Amount	N/A	510,628	831,847	321,219		
Personnel		226,479	431,069	204,590		
Equipment		12,000	9,900	<2,100>		
Contract Svc.		-0-	-0-	-0-		
Mat. & Supp.		29,000	17,500	<11,500>		
Facilities/Space		15,320	19,476	4,156		
Other		192,163	285,478	93,315		
Indirect Costs		35,666	68,424	32,758		

VI. Data Processing

(none included above)

-0-

VII. Personnel

F/T CSC		7	9	2	
P/T CSC		1	3	2	
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

NO (3 year project)

VIII. Contractual Services: Open Bid

N/A

Sole Source

(None under, call request for information form)

Item 1d - File 192-92-5

Department: Parking and Traffic

Item: Resolution authorizing the Acting Executive Director of the Department of Parking and Traffic to apply for a grant in the amount of \$200,000 for a Traffic Signal Interconnection Project on 19th Avenue, foregoing reimbursement of indirect costs.

Grant Amount: \$200,000

Source of Funds: Bay Area Air Quality Management District
AB434 Clean Air Plan Funds

Project: Traffic Signal Interconnection Project on 19th Avenue

Description: The proposed \$200,000 grant would support the construction of a traffic signal interconnection on 19th Avenue between Winston Drive and Junipero Serra Boulevard. According to the proposed legislation, traffic signal interconnections, which allow for the coordination of signal timing, are one of the most cost-effective traffic control measures. The existing traffic signal interconnection on 19th Avenue between Winston Drive and Junipero Serra Boulevard is damaged and needs to be replaced.

Project Budget: To be provided when the Department of Parking and Traffic requests authorization to accept and expend the proposed grant.

Required Match: None.

Indirect Costs: None (see Comment 2).

Comments:

1. AB 434 authorized the Bay Area Air Quality Management District to impose up to a \$4 surcharge on motor vehicle registration fees. These funds are to be used to implement specified transportation control measures to achieve emission reductions from motor vehicles. The proposed grant would be provided from such funds.
2. Indirect costs are not allowed under AB 434. Therefore, the proposed grant would not include indirect costs. The Department estimates that indirect costs for the proposed project would be approximately \$20,000.
3. The Department of Parking and Traffic advises that information regarding the project budget, including contractor hours, rates, and MBE/WBE status, would be

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provided when the Department requests authorization to accept and expend the proposed grant.

4. The Department has completed a Disability Access Checklist, which is in the file.

Recommendation: Approve the proposed resolution.

Item 1e - File 101-91-38.3

Item: Request for release of reserved funds for expanded scope of exploratory excavation and archaeological documentation for the new Main Library project.

Amount: \$120,000

Source of Funds: 1988 Library Improvement Bonds

Description: The Board of Supervisors has previously approved a Supplemental Appropriation Ordinance (File 101-91-38) in the amount of \$4,015,003 for project services related to the construction of the new Main Library. Of the \$4,015,003 appropriated, a total of \$1,529,805 was placed on reserve pending selection of contractors, the MBE/WBE status of the contractors and contract cost details.

Of the \$1,529,805 originally placed on reserve, a total of \$473,922 has previously been released by the Finance Committee, leaving a balance of \$1,055,883 on reserve. The amounts previously released were \$259,542 for exploratory excavation, contingency, archaeological services, and asbestos abatement (File 101-91-38.1), and \$214,380 for library management services (File No. 101-91-38.2).

The Public Library is now requesting the release of additional funds in the amount of \$120,000, including \$80,000 for further exploratory excavation, and \$40,000 for archaeological documentation. If this request for release of reserved funds in the amount of \$120,000 is approved, the balance on reserve would decrease from \$1,055,883 to \$935,883.

Comments: 1. Mr. Russ Abel of the Bureau of Architecture of the Department of Public Works reports that release of the reserved funds is being requested in the amount of \$120,000 at this time in order to expand the scope of excavation and archaeological analysis of the new Main Library construction site. The decision to expand the scope of these activities has resulted from the discovery at the site of extensive sections of the foundation of the old City Hall and the old City Jail, which existed at the site until the 1906 earthquake. A brick sewer line has also been uncovered.

Mr. Abel indicates that original cost estimates for excavation and archaeological services assumed that only the old South wall of the former City Hall would be

uncovered, and that no artifacts would be found. Since the excavation has uncovered significantly more of the old City Hall foundation than was expected, as well as the ruins of other buildings, Mr. Abel indicates that excavation will be expanded and the need for archaeological documentation of the site will be more extensive than originally anticipated.

The City Librarian, Mr. Kenneth Dowlin, reports that excavation and archaeological documentation is being undertaken which complies with California's mandated environmental review procedures for the excavation of historical sites.

2. Of the \$1,529,805 in bond proceeds originally placed on reserve by the Finance Committee, \$1.01 million was designated for excavation, and \$35,000 was reserved for archaeological services, for a total reserved amount for excavation and archaeological services of \$1,045,000.

Of the \$1,045,000 which was reserved for excavation and archaeological services, \$259,542 was released by the Finance Committee in April, 1992 (File 101-92-38.1), leaving a current balance for excavation and archaeological services of \$785,458. The \$259,542 which was released in April, 1992 included \$179,542 for excavation, \$40,000 for archaeological services, and \$40,000 for asbestos abatement.

3. Mr. Abel states that the \$40,000 in additional funds requested for further archaeological services, and the \$80,000 in additional funds requested for the expanded scope of excavation, or a total of \$120,000, would be taken from the \$785,458 which remains on reserve for excavation and archaeological services. If the request is approved by the Finance Committee, the balance remaining on reserve for excavation and archaeological services would decrease by \$120,000 from \$785,458 to \$665,458.

4. The \$40,000 which was released for archaeological services in April, 1992 was \$5,000 more than the \$35,000 originally reserved for archaeological services. If the present request for release of reserved funds in the amount of \$40,000 for archaeological services is approved, a total of \$80,000 shall have been released for archaeological services, or \$45,000 more than originally planned.

Mr. Abel reports that he expects a further request for release of reserved funds for archaeological services to be submitted in the future, to fund final archaeological

documentation of the excavated site, cataloguing of any artifacts, and preparation of the archaeologist's final report as required by State regulations. Mr. Abel cannot provide a reliable estimate at this time for these additional archaeological services, but he does not expect the additional costs to exceed \$120,000.

5. Mr. Abel states that the total cost of excavation should not exceed \$179,542 which was previously released (File 101-92-38.1), plus the additional \$80,000 for the expanded scope of excavation which is being requested at this time. Total excavation costs would therefore be approximately \$259,542.

6. If future costs related to excavation and archaeological services are limited to an additional \$120,000 for final archaeological documentation, then the project could be completed, according to Mr. Abel, with an unused balance on reserve of approximately \$545,458. According to Mr. Abel, the surplus has resulted because actual bids for excavation services were much lower than expected. Mr. Abel states that the unused funds for excavation would be applied to the construction phase of the project, scheduled to begin early in 1993.

5, The archaeological services are being provided by Basin Resources, Inc., which is neither an MBE nor WBE firm. Basin Resources, Inc. is a subcontractor of O'Brien Krietzberg, the construction management firm for the project. O'Brien Krietzberg, selected through a Request for Qualifications, is neither an MBE nor WBE firm. The actual excavation is being performed by Ryan Engineering, Inc., which was selected through a competitive bidding procedure, but is also not an MBE or WBE firm.

Recommendation: Release reserved funds in the amount of \$120,000, including \$40,000 for archaeological services and \$80,000 for excavation.

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Item 2 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of August 19, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, several different proposals by the Governor and various portions of the California Legislature exist and no final steps have been taken toward final adoption of the 1992-93 State budget. Until such final adoption, we are unable to assess the exact impact on the revenues and expenditures of the City and County of San Francisco.

As directed by the Finance Committee, the Budget Analyst is working with the Mayor's Budget staff and the Controller's Office to identify various options for increasing City revenues through sales taxes.

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Item 3 - File 68-92-4.1

Note: This item was continued at the August 12, 1992, Finance Committee Meeting.

Department: Mayor's Office Housing (MOH)

Item: Resolution approving procedures for allocating up to \$8,206,000 in Federal HOME Program grant funds from the U. S. Department of Housing and Urban Development (HUD) and authorizing the Mayor to encumber and authorize release of these grant funds from HUD. (HUD will release funds directly to program recipients designated by MOH in its role as administrator of the grant program.) Direct and indirect costs associated with the grant will be paid by Community Development Block Grant (CDBG) Funds.

Amount: Not to exceed \$8,206,000

Description: The HUD HOME Program is authorized under Title II of the National Affordable Housing Act of 1990 (Public Law Number 101-625), which provides funds for the acquisition, rehabilitation and development of affordable housing. In March, 1992, the Board of Supervisors authorized MOH to apply for, accept and administer a HUD HOME Program grant of up to \$8,206,000. HOME Program grant funds will generally be used to make long term (75 years), low interest (3 percent) loans to developers of housing for low income families. HOME Program grant funds can also be loaned at zero interest for 20 years to developers that will match the HOME Program grant funds on a dollar-for-dollar basis. Loans are available to either for-profit or non-profit developers.

The \$8,206,000 HOME Program grant is one component of the Citywide housing investment plan that includes funding from several other sources of development monies including CDBG funds, the housing set-aside under the Hotel Tax Fund, any available funds from tax increment financing, the Office-Affordable Housing Production Program, and other special funds targeted for affordable housing. The Citywide housing investment plan encourages the development of affordable housing in a manner consistent with the priorities set forth in the City's Comprehensive Housing Affordability Strategy (CHAS) and with the goals of the Residence Element of the Master Plan adopted by the City's Planning Commission. The HOME Program grant funds of \$8,206,000 would be expended as follows:

- 1) Approximately \$2 million (24.4 percent) would be set aside for new construction of single room occupancy hotels and other forms of group housing;
- 2) Approximately \$2.2 million (26.8 percent) would be used for acquisition and rehabilitation of non-profit owned rental housing. There would be an emphasis on multiple-bedroom housing for very low and extremely low income households;
- 3) Approximately \$1 million (12.2 percent) would finance the rehabilitation of private investor-owned rental housing, primarily multi-unit, multiple bedroom housing;
- 4) Approximately \$1 million (12.2 percent) would be made available to rehabilitate both non-profit and for-profit owned group housing, including single room occupancy hotels and board and care facilities;
- 5) Approximately \$2 million (24.4 percent) would constitute a pool of funds set aside for contingencies and for housing investment opportunities which are unforeseeable at the present time.

In previously authorizing the MOH to apply for, accept and administer the \$8,206,000 HOME Program grant, the Board of Supervisors directed the MOH to prepare and submit allocation criteria and procedures to be used for allocating HOME Program grant funds to the Board of Supervisors for approval prior to the encumbrance of HOME Program grant funds by the MOH. The proposed resolution would approve the Procedures for Allocating Home Program Funds. The written procedures are contained in the Board of Supervisors file for this item. These procedures were prepared and submitted by the MOH in order to obtain approval from the Board of Supervisors to encumber HOME Program grant funds. The procedures are summarized as follows:

- The stated purpose of the written Procedures for Allocating Home Program Funds is to establish uniform criteria and processes for implementation of the City's program to allocate HOME Program grant funds and to describe the responsibilities of agencies and individuals involved in the administration of the City's program.
- The Mayor's Office of Housing and the San Francisco Redevelopment Agency (SFRA), Housing Production Division shall jointly administer the City's program to allocate the HOME Program grant funds.

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- By March 30th of each year, an Annual Report shall be submitted to the Board of Supervisors, setting forth an accounting of all the HOME Program grant funds allocated by the City during the previous calendar year. The report shall identify how HOME Program grant funds were distributed among the different categories of housing needs identified in the City's housing strategy and describe the number, location, unit-mix, and non-City funds leveraged for each project funded for the period.
- The Mayor, in consultation with the Director of MOH and the Director of SFRA shall allocate HOME Program grant funds along with other locally administered funds based on the categories of housing development and specific target populations identified by the Comprehensive Housing Affordability Strategy (CHAS) as the City's priority affordable housing needs. The allocation of funds shall be governed by the priorities for investment set out in the City's CHAS and by the goals of the Residence Element of the Master Plan. In allocating funds, the MOH shall take into account the use restrictions associated with each funding source, such as those limiting use of Hotel Tax funds to development of housing for seniors, and the varying potential for leveraging non-City monies associated with each funding source.
- The MOH shall authorize commitment of HOME Program grant funds to specific projects upon recommendation of the Affordable Housing Development Loan Committee consisting of the Director of MOH, the Director of SFRA, and the Director of the Mayor's Office of Economic Planning and Development (MOEPD). The Loan Committee shall review and recommend approval or denial of all applications for loans.
- Specific criteria for evaluation of HOME Program grant funded project applications are contained in Subsection D of Section II of the written procedures.
- All units assisted with HOME Program grant funds shall be occupied by households with incomes that do not exceed sixty percent (60%) of median income for the Bay Area adjusted for family size. (According to the HUD Income Limits table in the CHAS, the median income for a family of four is \$49,900. Therefore, the income of a family with four members that occupies a unit assisted

with HOME Program grant funds cannot exceed 60 percent of \$49,900, or \$29,940.)

- The total charge for rent, utilities and related services charged by the developers for rental units funded by HOME Program grant funds cannot exceed thirty percent (30%) of a family's income. (In the previous example for a family of four, the total charge for rent, utilities and related services cannot exceed 30 percent of \$29,940, or \$8,982 annually or \$748.50 monthly.)
- The affordability restrictions regarding (1) income of occupants of rental units developed with loans of HOME Program grant funds and (2) total charge for rent, utilities and related services must remain in effect for the term of the loan (either 75 years or 20 years).
- The Mayor shall determine how much interest shall be charged on the 75 year loans funded by HOME Program grant funds. These loans may be interest bearing or interest free, depending on the financial feasibility of the project. The Mayor shall also determine the terms under which interest and/or principal shall be paid by a developer. Payment may be amortized or deferred to the end of the term of the loan. Deferred loans may be structured so as to require payment at the end of the term, or to be forgiven, depending on the financial feasibility of the project.

Comments:

1. The MOH expects to incur minimal indirect costs for services of the Controller's Office and for the monitoring of these grant funds. MOH anticipates that these indirect costs will be minimal because once the MOH has identified the specific housing projects to receive HOME Program grant funds, the grant monies will be disbursed by HUD directly to the projects. Such indirect costs will be paid from CDBG funds.

2. The MOH revised the proposed resolution and the associated written procedures for allocating the HOME Program grant funds to allow the Mayor sole discretion in determining, depending on the financial feasibility of the project, a) if interest is to be paid on the 75 year loans, b) the rate of interest to be paid and c) the terms for payment of interest and principal. These revised procedures also allow the Mayor the discretion to determine that payments can be amortized or deferred to the end of the loan or can be forgiven altogether, depending on the financial feasibility of the project. Before being revised, the procedures gave the Director of MOH the sole discretion for making these decisions. Because of the delegation of such discretion, we believe that approval of the proposed resolution is a policy matter for the Board of Supervisors.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 4 - File 82-92-6

Item:

Ordinance authorizing grant of a 20-year easement of City-owned property to the City of Modesto for use as a bicycle path.

Description:

The proposed ordinance would grant a 20-year easement to the City of Modesto, in Stanislaus County, in order to construct a bike path on property belonging to Hetch Hetchy.

The easement would be granted for a section of land approximately three miles long and 110 feet wide. The City of Modesto would construct the bicycle path and assume responsibility for maintenance of the land area affected by the easement. According to the Real Estate Department, Hetch Hetchy currently spends approximately \$15,000 annually to maintain the area.

Hetch Hetchy would contribute between \$4,060 to \$4,783 annually for the first three years, to assist the City of Modesto in constructing the bikeway and maintaining the easement. Hetch Hetchy would not be required to contribute any funds after the first three years.

Comments:

1. Mr. Steve Legnitto of the Real Estate Department reports that the area which would be affected by the easement consists of unimproved land covered with tall grasses, located within the Modesto city limits. The only structures on the property are towers holding electrical transmission cables.

2. According to Mr. Legnitto, Hetch Hetchy expends approximately \$15,000 annually to clear grass and brush, insure access, and remove debris which is occasionally dumped illegally on the property. Under the proposed easement, the City of Modesto would assume the cost of maintaining the property, including the bikepath and the remainder of the easement, which is 110 feet wide. Hetch Hetchy would therefore realize annual savings for maintenance of approximately \$15,000, after the first three years of granting the easement.

In the first, second, and third years of the easement, Hetch Hetchy would pay \$4,635, \$4,783, and \$4,060, respectively, for a total 3-year cost of \$13,478, to the City of Modesto to facilitate the project. The net savings to Hetch Hetchy in the first three years as a result of the easement would therefore be \$10,365, \$10,217, and \$10,940, respectively.

3. The Real Estate Department reports that the current value of the easement, in terms of its potential use to the City and County of San Francisco, is less than the annual maintenance cost. Mr. Legnitto states that the easement and proposed bikepath would improve the value of the property.

4. Mr. Legnitto states that the proposed easement would provide that at the end of the 20 year term, Hetch Hetchy could require the City of Modesto to remove the bikepath, or, alternatively, the bikepath would become the property of Hetch Hetchy.

Recommendation: Approve the proposed ordinance.

Item 5 - File 27-92-7

Item: Resolution authorizing the Airports Commission to enter into an agreement with the Department of Transportation, State of California, for participation in the Seismic Safety Retrofit Program.

Description: The California Department of Transportation (CalTrans) has undertaken a State-wide evaluation of bridges and viaducts which are at risk of damage during an earthquake, and which therefore may be in need of seismic strengthening or retrofit.

CalTrans has developed general criteria to identify structures which could be at risk. The upper level viaduct at the San Francisco Airport, which carries vehicular traffic to the passenger departure areas of the terminal, satisfies the CalTrans criteria for participation in the program. The proposed resolution authorizes the Airport to enter into an agreement with CalTrans for participation in the program. Bridges or viaducts which participate in the program are eligible to receive full reimbursement for the cost of any retrofit.

Comments: 1. According to Mr. Ernie Eavis of the Airport, no formal evaluation has yet been made of the upper viaduct to determine whether it is in need of retrofit. Rather, the viaduct has only been determined to satisfy CalTrans' general criteria for structures which could be at risk. The CalTrans criteria include the local geology, age and design of the structure, and other risk factors associated with seismic activity.

2. Mr. Randy Steen of CalTrans states that each structure which satisfies the CalTrans criteria will be evaluated by a structural engineer, and the cost of the evaluation will be paid by CalTrans. Structures found to be in danger of collapse or severe damage in an earthquake will also be eligible to receive full reimbursement from CalTrans for the cost of seismic retrofit.

Mr. Steen indicates that CalTrans has assigned priority ratings to the State's bridges, based on scores obtained under CalTrans' general criteria. Mr. Steen indicates that the Airport's upper level viaduct is third highest in priority on the list of bridges to be evaluated. Mr. Steen states that this ranking is due in part to the viaduct's proximity to local faults, the amount of traffic on the viaduct, the viaduct's single column support system, and soil conditions

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("mudflats") in the vicinity of the Airport. These conditions do not necessarily imply that the viaduct is at risk of severe damage, according to Mr. Steen, because the structural strength of the viaduct has not yet been evaluated in relation to these risk factors.

3. Mr. Eavis indicates that CalTrans is expected to fund projects with the highest priority ratings before funding projects with lesser priority. Mr. Steen indicates that because the Airport's upper level viaduct is high in priority, State reimbursement for the cost of the program is assured.

4. The proposed agreement with CalTrans would provide that an initial evaluation of the Airport's upper viaduct would first be performed, and that the initial evaluation could be performed either by CalTrans or by an independent contractor hired by the Airport.

Mr. Eavis indicates that the Airport would prefer to retain an independent contractor for such an evaluation. The Airport would issue a Request for Proposal for the evaluation as soon as possible following approval by the Board of Supervisors of the proposed agreement for participation. Mr. Eavis indicates that such an initial evaluation is expected to cost approximately \$200,000.

According to Mr. Eavis, CalTrans has estimated the cost of evaluating the structure at \$1.5 million, calculated as 50 percent of the estimated cost of retrofitting the structure. The cost of retrofitting the structure was estimated at \$18 per square foot, or approximately \$3 million. Mr. Eavis believes that it is highly unusual to estimate the cost of evaluating a structure at 50 percent of construction costs.

5. If the initial evaluation revealed that the upper viaduct was in need of retrofit, the Airport would issue a separate Request for Proposal for such services, according to Mr. Eavis.

Mr. Eavis indicates that, if a retrofit is needed on the upper viaduct, it may be integrated with proposed modifications to the structure which are included in the Airport's proposed Master Plan. The proposed Master Plan calls for new ramps to be added to the upper level viaduct, but does not include plans to replace the structure. Mr. Eavis states that, if construction under the Master Plan can be combined with the retrofit, the Airport would seek to perform all of the construction simultaneously. However, Mr. Eavis indicates that a retrofit, if needed, would

probably occur before the modifications included in the Master Plan are implemented.

6. The proposed resolution would authorize the Airports Commission to enter into an agreement with CalTrans for participation in the Seismic Safety Retrofit Program. The Airports Commission adopted a resolution on June 2, 1992 requesting the Board of Supervisors to authorize the agreement, and stating the Airport Commission's authorization for the Airport Director to enter into such an agreement.

Mr. Eavis indicates, however, that the agreement with CalTrans for participation in the program has already been signed by the Airport Director and CalTrans representatives. Mr. Eavis indicates that the agreement was signed on June 29, 1992, before authorization to do so was given by the Board of Supervisors, in order to ensure that the Airport would qualify for State funds which were appropriated for the program in fiscal year 1991-92, since the status of 1992-93 appropriations for the program remains uncertain.

If the Board of Supervisors wishes to authorize the Airports Commission to enter into an agreement for participation in the Seismic Safety Retrofit Program, the proposed resolution should therefore be amended to reflect that the authorization shall apply retroactively.

7. As previously noted, Mr. Eavis reports that the Airport is awaiting approval by the Board of Supervisors before issuing a Request for Proposal for seismic evaluation of the upper viaduct, and no expenses have been incurred in connection with the proposed seismic evaluation or the retrofit program.

8. The title of the proposed resolution is "State of California Seismic Safety Retrofit Program," and does not describe the purpose of the proposed resolution. The title should therefore be amended to reflect that the proposed resolution would authorize an agreement between the Airports Commission and the State Department of Transportation for participation in the program.

Recommendations:

1. Amend the title of the proposed resolution to read, "Authorizing the Airports Commission to enter into an agreement with the Department of Transportation, State of California, for participation in the Seismic Safety Retrofit Program, and ratifying actions previously taken."

2. Amend the proposed resolution at line 16 by adding the words "and ratifying actions previously taken" at the end of the sentence.
3. Approve the proposed resolution, as amended.

Item 6 - File 30-92-8

The proposed resolution would fix patient day rates for fiscal year 1992-93, for services provided by City and County institutions and health care facilities and rescind Resolution No. 367-92 (File 30-92-5) which established the prior rate schedule. The proposed rates apply only to private patients and private insurance companies. Medi-Cal, Medicare and Other State and Federal subventions are excluded from this rate structure.

The attached tables provide the current and proposed patient day rates for services provided by San Francisco General Hospital (SFGH), Laguna Honda Hospital (LHH) Community, Public Health Services (CPHS) and Community Mental Health Services (CMHS). The Department of Public Health (DPH) reports that the revised fee structure is based on a variety of factors, including (1) generally prevailing rates charged by medical facilities in the Bay Area for similar inpatient and outpatient services, (2) reimbursement analysis and (3) the Consumer Price Index.

Comments

1. The City receives between one percent and five percent of its total revenues from private individuals or third party payors in comparison to Medi-Cal, Medicare and other State and Federal reimbursements. In 1992-93, the DPH has budgeted approximately \$31 million in patient revenues or approximately eight percent of its non-General Fund revenues from patients who are able to pay their medical bills or from third party payors. The budgeted \$31 million assumes the proposed increased patient day rates for fiscal year 1992-93.

2. As noted on the attached tables, there is no increase in rates for CMHS and CPHS. The DPH advises that there is no increase in rates for CPHS because the current rates continue to reflect generally prevailing rates in the community. The rates for CMHS have not increased because per unit costs have not increased for these services.

3. Schedules of rates for laboratory services and certain other hospital services are not shown in the proposed resolution because SFGH and LHH have hundreds of prices for various lab and special services. The rates for these services are charged from a special price list and may change during the fiscal year based on cost accounting studies at the hospitals.

4. The proposed legislation fixes patient day rates for SFGH, LHH, CPHS and CMHS effective July 1, 1992. Therefore, the proposed legislation should be amended to authorize the DPH to retroactively fix the proposed patient day rates.

Recommendation

Amend the proposed resolution to authorize the DPH to fix the proposed patient day rates for fiscal year 1992-93 retroactively, and approve the proposed resolution as amended.

	<u>Unit</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Change</u>
<u>SAN FRANCISCO</u>				
<u>GENERAL HOSPITAL</u>				
Medical Surgical	Day	\$623	\$682	9.5%
Intensive Care	Day	1,840	2,015	9.5%
Coronary Care	Day	1,750	1,917	9.5%
Chest-Pulmonary	Day	1,780	1,949	9.5%
Stepdown Pulmonary		1,200	1,314	9.5%
Pediatrics	Day	712	780	9.6%
Obstetrics	Day	569	623	9.5%
Nursery				
– Well Baby	Day	446	488	9.4%
– Observation	Day	594	650	9.4%
– Semi-Intensive Care	Day	1,068	1,170	9.6%
– Intensive Care	Day	1,543	1,689	9.5%
Labor/Delivery	Day	569	623	9.5%
	Hour	45	49	8.9%
Psychiatric Inpatient	Day	682	747	9.5%
Psychiatric Forensic Inpatient	Day	682	747	9.5%
AIDS Unit – 5A	Day	682	747	9.5%
Security Unit – 7D	Day	623	682	9.5%
<u>Surgical Services</u>				
Minor Surgery Pre-Op				
Holding Room	Room	100	110	10.0%
Minor Surgery I (Come & Go)	1/4 hour	143	156	9.1%
	1/2 hour	285	312	9.5%
	3/4 hour	427	468	9.6%
	1 hour	569	623	9.5%
	Add'l 1/4 hour	143	156	9.1%
Minor Surgery II	1 hour	617	676	9.6%
	Add'l 1/2 hour	308	337	9.4%
Major Surgery Pre-Op				
Holding Room	Room	100	110	10.0%
Major Surgery	1 hour	920	1,007	9.5%
	Add'l 1/2 hour	321	351	9.3%

	<u>Unit</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Change</u>
Major Surgery II	1 hour	\$1,038	\$1,137	9.5%
	Add'l 1/2 hour	332	363	9.3%
Major Surgery III	1 hour	1,157	1,266	9.4%
	Add'l 1/2 hour	427	468	9.6%
Extraordinary Surgery	1 hour	1,305	1,429	9.5%
	Add'l 1/2 hour	474	519	9.5%
Surgery 2 Teams	Procedure	1,808	1,980	9.5%
	Add'l 1/2 hour	608	665	9.4%
Surgery 3 Teams	Procedure	2,345	2,568	9.5%
	Add'l 1/2 hour	789	864	9.5%
Anesthesia	1/2 hour	282	309	9.6%
	Add'l minute	9.00	10.00	11.1%
Argon Laser Treatment	Procedure	933	1,021	9.4%
Therapeutic Abortion	Procedure	175	175	0.0%
Recovery Room	1 hour	356	390	9.6%
	2nd Add'l 1 hour	85	93	9.4%
	3rd Add'l 1 hour	53	58	9.4%
Emergency Clinic – Level 1	Visit	59	64	8.5%
Emergency Clinic – Level 2	Visit	80	88	10.0%
Emergency Clinic – Level 3	Visit	101	111	9.9%
Emergency Clinic – Level 4	Visit	187	204	9.1%
Emergency Clinic – Level 5	Visit	426	467	9.6%
Emergency Clinic – Level 6	Visit	1,013	1,109	9.5%
Non-Critical Observation	0-2 hours	59	64	8.5%
	2-4 hours	171	187	9.4%
	4-6 hours	293	321	9.6%
Critical Observation	0-2 hours	171	187	9.4%
	2-4 hours	341	374	9.7%
	4-6 hours	506	554	9.5%
Resuscitation		1,013	1,109	9.5%
<u>General Clinic</u>				
Initial Patient Visit				
Brief Examination	Visit	37	62	67.6%
Initial Intermediate	Visit	95	104	9.5%
Initial Comprehensive	Visit	197	216	9.6%
Established Patient				
Brief Examination	Visit	37	41	10.8%
Intermediate	Visit	56	62	10.7%
Comprehensive	Visit	133	146	9.8%
Use of Exam Room		27	29	7.4%

	<u>Unit</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Change</u>
<u>Ambulance Billing</u>				
Basic Life Call	Response	250	269.25	7.7%
- Per mile	Mile	9.45	10.18	7.7%
- Night Call	Call	53.55	57.67	7.7%
- Oxygen	Unit	45.15	48.63	7.7%
- Cardiac Monitor	Unit	53	57.08	7.7%
Non-Transport Response	Response	58.80	63.33	7.7%
Supplies & Drugs	Unit	Special List Price		
Advance Life Support	Response	450	484.65	7.7%
- Per Mile	Mile	9.45	10.18	7.7%
- Night Call	Call	53.35	57.67	8.1%
- Emergency	Call	58.80	63.33	7.7%

**COMMUNITY MENTAL
HEALTH SERVICES**

Emergency Crisis	24 hours	1,100	1,100	0.0%
Inpatient	24 hours	900	900	0.0%
Partial Day Care				
Habilitative	Per Day	150	150	0.0%
Intensive	Per Day	250	250	0.0%

Outpatient

Assessment	Occurrence	375	375	0.0%
Crisis	Per Episode	375	375	0.0%
Group	Per Session	150	150	0.0%
Collateral	Occurrence	175	175	0.0%
Individual	Per Session	310	310	0.0%
Medical	Per Visit	225	225	0.0%

	<u>Unit</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Change</u>
<u>DIVISION OF ALCOHOL PROGRAMS</u>				
Residential - Detoxification	24 hours	\$70	\$70	0.0%
Residential	24 hours	80	80	0.0%
Recovery Home	24 hours	70	70	0.0%
Outpatient				
– Individual	1 hour	75	75	0.0%
– Group	1 hour	45	45	0.0%
– Family	1 hour	65	65	0.0%
– Home	1 hour	50	50	0.0%
– Rehabilitation	1 hour	45	45	0.0%
– Environmental	1 hour	20	20	0.0%

DIVISION OF DRUG PROGRAMS

Therapeutic Community	24 hours	55	55	0.0%
Outpatient				
– Detoxification	Per Visit	90	90	0.0%
– Individual Therapy	1 hour	65	65	0.0%
– Group	1 hour	65	65	0.0%
– Family	1 hour	65	65	0.0%
– Home	1 hour	60	60	0.0%
– Methadone Treatment	1 hour	26	26	0.0%

LAGUNA HONDA HOSPITAL

Regular Hospital Rates

– Acute	Day	810	830	2.5%
– Rehabilitation	Day	650	666	2.5%
– Skilled Nursing Facility	Day	210	230	9.5%
All-Inclusive Rates				
– Acute	Per Diem	1,020	1,046	2.5%
– Rehabilitation	Per Diem	920	943	2.5%
– Skilled Nursing Facility	Per Diem	225	230	2.2%

	<u>Unit</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Change</u>
<u>PUBLIC HEALTH CENTER</u>				
New Patient - Audlt				
Comprehensive Exam	Visit	\$123	\$123	0.0%
Intermediate Examn	Visit	74	74	0.0%
Limited Exam	Visit	53	53	0.0%
Brief Exam	Visit	41	41	0.0%
Established Patient - Adult				
Comprehensive Exam	Visit	91	91	0.0%
Extended Exam	Visit	61	61	0.0%
Intermediate Exam	Visit	46	46	0.0%
Limited Exam	Visit	36	36	0.0%
Brief Exam	Visit	25	25	0.0%

Item 7 - File 210-92-2

This is a hearing to consider the investment policies of the San Francisco Employees' Retirement System (ERS) Board.

According to the Retirement System, approximately \$5.3 billion of funds are currently invested. The written investment policies of the Retirement System state that the primary goals of the Retirement System in making investments are: (1) to meet the retirement benefits, required to be provided to employees, when due; (2) to obtain the maximum long-term rate of return; and (3) to minimize risk.

To meet these goals, the Retirement Board has established minimum investment positions, or asset sector goals, as follows:

Fixed Income*

Domestic Fixed Income	25%	
International Fixed Income	<u>5%</u>	
Total Fixed Income		30%

Equities**

Domestic Equities	25%	
International Equities	5%	
Venture Capital/Special Assets	1%	
Real Estate	<u>5%</u>	
Total Equities		36%

Cash

		<u>2%</u>
Total Minimum Investment Positions		68%

* Fixed income assets include assets with a contractual rate of return, such as mortgages, bonds and savings accounts.

**Equity assets includes assets without a contractual rate of return, such as stocks and real estate.

Investments in any sector in excess of the minimum percentages described above are recommended to the Retirement Board by ERS staff each quarter for consideration and adoption. According to ERS, such recommendations are based on historic and expected sector investment returns, return variability, and correlations between different assets over the next five years.

As of August 11, 1992, the asset sector goals, as established by the Retirement Board, are as follows:

Fixed Income

Domestic Fixed Income	45%	
International Fixed Income	<u>7%</u>	
Total Fixed Income		52%

Equities

Domestic Equities	25%	
International Equities	5%	
Venture Capital/Special Assets	1%	
Real Estate	<u>7%</u>	
Total Equities		38%

Cash

Total Current Asset Sector Goals	100%
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These current asset sector goals meet the minimum asset sector goals described above.

The Retirement System has established a target rate of return, against which investments and any special portfolios are reviewed. Rates of return since 1987, as compared with these target rates of return, are as follows:

Rate of Return Since 1987
As a Percentage of Total Investment

	<u>3/91-3/92</u> <u>(Last 1 Year)</u>	<u>3/90-3/92</u> <u>(Last 2 Years)</u>	<u>3/89-3/92</u> <u>(Last 3 Years)</u>	<u>3/87-3/92</u> <u>(Last 5 Years)</u>
Actual Yield	11.40	12.06	11.50	8.59
Target Yield	<u>8.82</u>	<u>11.12</u>	<u>10.70</u>	<u>9.53</u>
Difference	2.58	0.94	0.80	(0.94)

The Budget Analyst reviewed the Retirement System's investment yields over the past 20 years and found that the average rate of return was 8.35 percent. Thus, the rate of return over the past 20 years is approximately .24 percent lower than over the past five years, at 8.59 percent, approximately 3.71 percent lower than over the last two years, at 12.06 percent, and approximately 3.05 percent lower than the last one year, at 11.40 percent.

The Retirement System uses staff, external managers and outside consultants to implement its investment plan. As defined by the Retirement Board's investment policies, external managers have responsibility for managing special portfolios, while consultants provide special knowledge, experience, and access to data and services in assisting staff in the implementation of investment policy. Retirement System staff members are responsible for the investment management of the core investment positions. Staff investment decisions must be approved by the ERS Chief Investment Officer or by a delegated Assistant Chief. Under the direction of the Retirement Board, either staff or outside firms providing services as external managers may also manage special investment portfolios. External managers have full discretion to invest, subject to any restrictions which may be imposed by the Retirement Board. Staff and external managers must provide quarterly reports to the Retirement Board as to the status of their investments.

According to the Retirement System's written investment policies, external managers and consultants are retained by the Board based on their qualifications. Such qualifications might include investment strategies, current outlook of major transactions, and comparative performance to an acceptable index, according to the investment policies.

The Retirement Board passed a resolution on August 11, 1992 regarding brokerage services. This resolution provides that brokerage firms are to be retained based on quarterly reviews of their services, including discounted commissions, research, and related services, and on good faith efforts to include local, minority, and women owned firms.

Comments

1. According to Mr. Ken Shaffer of ERS, the reason investment yield has been higher over the past two years than over the past five years and the past twenty years is because (a) ERS has replaced some of its contracting investment managers; and (b) ERS has begun to invest in international assets and other alternative assets. Mr Shaffer advises that the Retirement System anticipates that these improved returns will continue relative to other public pension funds. However, according to Mr. Shaffer, the absolute rate of return is anticipated to decline, due to (1) the economic decline after the very prosperous 1980s, and (2) the fact that the current low interest rates will most likely increase over the next few years. Such an increase in interest rates would result in a decline in bond values, which has a negative impact on total return, even though the interest income from such bonds might increase as interest rates increase.

2. The Mayor's Fiscal Advisory Committee (MFAC) Task Force on Long-Term Cost and Revenue Trends for San Francisco provided a report to the Mayor in July 1992. This report included an evaluation of the Retirement System, including its investment yield and policies. The MFAC Task Force consisted of 73 private sector executives and managers from Bay Area firms, as well as representatives of the Controller's Office, the Mayor's Budget Office, the Chief Administrative Officer, and the Civil Service Commission. According to the MFAC Task Force's report:

- The Retirement System's portfolio had a total return that was about one percent lower than other large public and corporate pension funds during the past five years. To improve its total return, the Task Force recommends increasing equity levels.

Mr. Shaffer advises that while an increase in equities should, over the long term, increase the total value of the Retirement System's investment package, it would result in a lower yield. For example, if the Retirement System invested in more stocks, and if the value of such stocks rapidly increased, the total value of the investment package might be higher than if the Retirement System invested in more bonds. However, the higher value of such stocks is largely realized upon sale of the equities. In contrast, fixed income assets, such as bonds, may have a lower total value, but a higher on-going yield that is assured. The Retirement System must

realize a certain annual yield in order to meet its pension benefit obligations, even if the result is a lower value to the total investment package, Mr. Shaffer reports.

- The City invests only in companies with no investments in South Africa. This policy has resulted in an additional loss of one percent per year yield on equities, or approximately \$15 million annually. The Task Force recommends that the City consider revising its South Africa limitations when political conditions in South Africa allow such a revision.

City-wide policy prohibits investment in South Africa. According to Mr. Shaffer, the Retirement System is subject to such City-wide policy.

3. City contributions to the Retirement System are governed by Section 3.674 of the San Francisco Charter. Section 3.674 empowers the Retirement Board to determine the City's annual contribution rate that will provide sufficient funds to pay for retirement obligations to members of the City's Retirement System. Total retirement contributions are divided between a normal contribution rate and an unfunded liability payoff. City contributions are calculated to be the amount (as a percentage of payroll in the annual City budget) needed to fund future retirement benefits after the current assets, future employee contributions and future asset growth have been taken into account. The City contribution must make up this gap. Assumptions are therefore made to estimate future employee contributions and future asset growth. The two key assumptions used to determine the contribution rate are the assumed increase in wages and the assumed investment yield.

4. The assumptions used to determine the contribution rate (the assumed increase in wages and the assumed investment yield) work hand in hand to the extent that one assumption is rarely chosen without consideration of the other assumption. On the one hand, the higher the assumed wage increase, the higher retirement benefits will be and the higher City contributions will have to be. On the other hand, the higher the investment yield, the greater the portion of plan costs will come from these returns on assets and the lower that City contributions will have to be. The assumptions used to determine the contribution rate are presently set at 6 percent for the assumed increase in wages and 8 percent for the assumed investment yield. The Budget Analyst has reviewed the two key assumptions of wage increases and investment yields. Although over the past year, the actual returns on investments has been higher than the targeted returns (see table, above), over the long term, actual returns have been close to targeted returns. The Budget Analyst has concluded that the Retirement Board assumptions are both correct and reasonable.

5. The City contribution to the Retirement System for employee pensions, based on a percentage of total salaries, is as follows:

Memo to the Finance Committee
August 26, 1992 Finance Committee Meeting

<u>Fiscal Year</u>	<u>Miscellaneous Employees</u>	<u>Police</u>	<u>Fire</u>
1988-89	16%	81.5%	96.5%
1989-90	15	79	92
1990-91	15	78	91
1991-92	13	55	70
1992-93	12.67	25.92	50.65

According to the Retirement System, one reason for the decreasing contribution rates in all plan categories over the last five years is that investment returns have exceeded long-term expectations.

In addition, the assumptions, which are presently set at 6 percent for the assumed increase in wages and 8 percent for the assumed investment yield, are less conservative than they were in the early 1980s, and thus lower contributions are required.

Finally, due to an error in calculation, from 1988 to 1992, additional funds were included in the City's contribution rate toward the unfunded pension liability of the Police and Fire Departments in advance of the established amortization schedule. Therefore, the level of City contribution for Police and Fire was decreased by \$16 million in 1991-92, and will be decreased by approximately \$32.95 million in fiscal year 1992-93 to restore the City to the amortization schedule that would have been in place if the mistake had not occurred. Such a restoration to that amortization schedule will cost approximately \$15 million greater in interest charges over the duration of the amortization schedule than immediately applying the overpayment to the unfunded liability. The Retirement Board has not yet taken action on 1993-94.

Item 8 - File 161-92-5

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resolution approving an amendment to the budget of the Redevelopment Agency for FY 1992-93 to issue up to \$550,000 in tax increment bonds, to appropriate \$55,000 in FY 1992-93 to repay the \$550,000 and to amend the Indebtedness Limitation Agreement.

Amount: Not to exceed \$550,000

Description: The proposed resolution would authorize the Redevelopment Agency to issue an additional \$550,000 in tax increment backed bonds in FY 1992-93 for the Western Addition Project Area A-2 and to appropriate an additional \$55,000 in tax increment revenues to repay the \$550,000 tax increment bonds. The proposed \$550,000 tax increment bond funds would fund the rehabilitation of the Center for African and African American Art and Culture building located on 762 Fulton Street in the Western Addition Project Area A-2. According to the Agency, the Center for African and African American Art and Culture building needs extensive rehabilitation work to stop the deterioration of the building and bring it up to code. The Department of Public Works (DPW) assessed the building and estimated the cost of repairs at \$450,000 as follows:

Replace Roof	\$100,000	
Ceiling Repair	6,000	
Exterior Repairs	31,300	
Remove Asbestos	10,000	
Elevator Repair	11,000	
Electrical System	26,450	
Heating Ventilation Air Conditioning (HVAC)	10,000	
Floor Repairs	6,150	
Dance Floor, Make-up Tables, Lights, Carpets & Flooring in Dressing Rooms	132,000	
Interior Doors (Fire Doors)	8,300	
Restroom Upgrades	15,000	
Refurbish Fire Escapes/Remove and Replace Painted Fire Sprinkler Heads	<u>4,000</u>	
Subtotal		\$360,200
Plans and Specs, Permits, Contract Admin, Inspection (10%)	53,920	
Contingency (15%)	<u>53,880</u>	
Total Building Rehabilitation Costs		\$450,000

BOARD OF SUPERVISORS
BUDGET ANALYST

In addition, the Agency proposes to spend approximately \$100,000 for economic development activities pertaining to the Center for African and African American Art and Culture building. The following is a list of such activities and their estimated costs:

Snack Shop

\$35,000

A snack shop would be established and located in the current gallery space on the first floor in line with the future use of the facility. The snack shop would service all activities that take place at the Center along with occasional projects and programs.

Box Office

14,000

A central box office would be built for the sale and marketing of the Center's events and other Bay Area presentations. The box office would be constructed in the Center's lobby area. Funds would also be used to purchase necessary operational equipment, such as cash registers.

Concessions-Gift Shop

17,000

A concession and gift shop would be built in the current ramp and lobby area

Parking Lot

4,000

The parking lot would be upgraded and a new gate put in for vehicular control. Parking lot attendants would be hired.

Marketing and Development

30,000

A Marketing Director would be hired at an annual salary of \$30,000 to market and advertise the Center's events.

Total Economic Development Activities

\$100,000

Comments:

1. The Center for African and African American Art and Culture estimates that approximately 13 direct new jobs would be created from the \$100,000 budgeted for economic development activities.

2. The Budget Analyst recommended in its Management Audit Report of the Redevelopment Agency submitted in January of 1992 that the Board of Supervisors not approve any additional funds for Agency Economic Development programs until the Agency Commission adopts and submits to the Board of Supervisors a comprehensive economic development implementation plan. The proposed funding for economic development activities for the Center for African and African American Art and Culture is applicable to the recommendation of the Management Audit Report. As such, the Budget Analyst recommends and Mr. Byron Rhett of the Redevelopment Agency concurs that, if the Board of Supervisors approves the proposed resolution, the \$100,000 budgeted for economic development activities be placed on reserve pending the Redevelopment Commission submitting a comprehensive economic development implementation plan.

3. Mr. Rhett reports that the \$30,000 budgeted for a Marketing Director would be one-time funding only. If the position is continued beyond one year, the Center for African and African American Art and Culture would be required to fund it.

4. On August 10, 1992 the Board approved an ordinance (File 151-92-2) to amend the Redevelopment Plan for the Western Addition Project Area A-2 by amending the plan to increase the limitation on the amount of tax increment funds by \$125 million from \$65 million to \$190 million that the Agency could claim from the Western Addition Project Area A-2. Any funding requests for these tax increment revenues are subject to the Board of Supervisors approval. The proposed \$550,000 tax increment backed bonds and \$55,000 tax increment revenue would come from this increased tax increment limitation.

5. Approximately 87.5 percent or \$48,125 of the \$55,000 tax increment revenue needed to repay the proposed \$550,000 bond is General Fund monies. Over the 30 year life of the bond this would amount to approximately \$1,443,750 in General Fund monies. Because the proposed resolution would cost the General Fund approximately \$48,125 in FY 1992-93 and every year thereafter for 30 years, for a total General Fund cost of \$1.4 million, the Budget Analyst

BOARD OF SUPERVISORS
BUDGET ANALYST

believes the proposed resolution is a policy matter for the Board of Supervisors.

Recommendation: The proposed resolution is a policy matter for the Board of Supervisors. If the Board of Supervisors approves the proposed resolution, place \$100,000 budgeted for economic development activities on reserve pending submission of a comprehensive economic development implementation plan by the Redevelopment Agency as discussed in Comment 2.

Item 9 - File 123-92-3

Note: This item was transferred from the Economic and Social Policy Committee because it was determined to have fiscal impact.

Department: Department of Public Works (DPW)

Item: The proposed ordinance would amend, add, and delete various sections to Article 19, Chapter X, Part II of the San Francisco Municipal Code (Public Works Code), regulating the installation and maintenance of public pay telephones on public sidewalks, requiring permits and the collection of fees therefor and providing for enforcement of said permitting requirements. The applicable Sections are 706, 950, 952, 953, 954, 957, 958, 959, and 960 for amendment, 950.1 and 950.2 for addition, and 962 for deletion.

Description: The City's Public Works Code presently provides for the permitting of a single telephone company (currently Pacific Bell) to install and maintain public pay telephones on public sidewalks within the City. In 1986, the California Public Utilities Commission deregulated the business of operating public pay- telephones and allowed other non-utility private telephone companies to operate privately owned pay telephones. The proposed ordinance (a) provides procedures for requiring and granting permits to owners of privately owned public pay telephones which are installed on City public sidewalks, (b) provides for fees to be charged for the use of City property by public pay telephone operators and (c) provides for an enforcement mechanism allowing the removal of illegally installed pay telephones on City sidewalks.

The proposed legislation increases the fees to be charged for the use of City property by pay telephone operators from the current 15% of total gross receipts of each public pay telephone's coin box to 20% of the total gross receipts generated by the use of public pay telephones. The proposed legislation also requires a minimum monthly fee of \$50 to be paid to the City for each pay telephone permitted on the sidewalk.

The proposed legislation requires a deposit of \$500 to be paid to the City for each application for a public pay telephone on a sidewalk. Such deposits would be used to cover the costs of administration and inspection services incurred by DPW in connection with issuance of public pay telephone permits.

The proposed legislation would also restrict permitting public pay telephones in any location when such location endangers the safety of persons or property, unreasonably interferes with public utility purposes, public transportation purposes, or other government use or when such public pay telephones unreasonably interferes with or impedes the flow of pedestrian or vehicular traffic, the ingress or egress of any residence, place of business, any legally parked or stopped vehicles use of poles, posts, traffic signs or signals, police or fire call boxes, transit shelters, sidewalk elevators, mailboxes, handicapped ramps, or other facilities permitted at or near the proposed location.

Currently, privately owned public pay telephones have been installed on City sidewalks without obtaining a City permit and the City has not had the requisite legislation providing for the City's permitting or removal of such sidewalk pay telephones. As a result, the City has not collected payments for the use of the City's sidewalks from the owners of these pay telephones.

Ms. Denise Brady of the Department of Public Works estimates that there are currently over 500 privately owned public pay telephones that have been operating on City sidewalks for which the owners have not obtained a City permit. The proposed legislation requires the property owners adjacent to the sidewalks containing an un-permitted pay telephone to remove the pay telephone. Ms. Brady estimates that half of the 500 currently un-permitted pay telephones would not be permitted and would be required to be removed as the result of being in a location that does not comply with City standards or because the owner would decide to relocate the telephone.

Comments:

1. The City presently collects approximately \$457,600 per year from Pacific Bell, which is the only company which has received a permit from the City to install its approximately 580 public pay telephones on City sidewalks.
2. The City is currently collecting 12% of Pacific Bell's local call revenues from its sidewalk pay telephones for which it receives the \$457,600 amount. Although the current ordinance provides for collecting 15% of total gross receipts of each public pay telephone's coin box, the City negotiated this 12% rate with Pacific Bell to include not only the sidewalk pay telephones' "coin box" revenues under the terms of the current code provisions but *all* the local call revenues including credit card and collect calls in which payment is not made into the coin box.

3. Separately, the City's Department of Electricity and Telecommunications has entered into an agreement with AT&T and Pacific Bell for the City to receive 20% of all long distance calls made from the Pacific Bell public pay telephones located within the City sidewalk rights-of-way. The number of these Pacific Bell sidewalk pay telephones has been increasing recently as 250 such pay telephones are being installed within MUNI bus shelters. From data supplied by the Department of Telecommunications, Ms Brady estimates that the City will receive approximately \$200,000 this year from this agreement.

4. Based on current experience, Ms Brady estimates that the average monthly revenues to the City under the proposed legislation would be \$90 for the currently permitted Pacific Bell pay telephones. Since the City has not had experience receiving fees from the presently un-permitted sidewalk pay telephones, Ms Brady provides conservative estimates of receiving only the minimum \$50 per month for the operation of these telephones. Using these estimates, the annual total revenues are estimated as follows:

	Minimum Monthly Fee	Minimum Annual Fee	Estimated Monthly Fee	Estimated Total Annual Fee
580 Currently Permitted Pacific Bell Pay Telephones	\$50	\$348,000	\$90	\$626,400
250 Pacific Bell Pay Telephones being installed in Muni Shelters	50	150,000	50	150,000
250 Half of 500 Existing Un-Permitted Pay Telephones	50	<u>150,000</u>	50	<u>150,000</u>
Totals		\$648,000		\$926,400

5. Under the terms of the proposed legislation, there would be an estimated increase in General Fund annual revenues of approximately \$468,800 (from the existing \$457,600 to \$926,400) resulting from the issuance of permits to additional public pay telephone operators and the proposed increase of payments from 15% of total gross receipts of each public pay telephone's coin box to 20% of the total gross receipts generated by the use of public pay telephones permitted on public sidewalks.

6. While the proposed legislation would require that the City receive 20% of "the total gross receipts generated by the usage

of each and every" public pay telephone located on the sidewalk, the legislation is not clear as to the revenues generated by long distance telephone calls. Ms Brady reports that Federal law restricts Pacific Bell from collecting, and providing the City with fees based on long distance telephone call charges made from its Pacific Bell public pay telephones. According to Ms. Julia Ten Eyck, Deputy City Attorney, under the proposed legislation, the City would be able to collect a percentage of the gross receipts from long distance telephone calls made from non-Pacific Bell public pay telephones. Furthermore, the proposed legislation would enable the City to continue its agreement with AT&T for the City to receive 20% of AT&T long distance calls made from the Pacific Bell public pay telephones located within the City sidewalk rights-of-way and to continue its agreement with Pacific Bell to automatically provide AT&T long distance service from its public pay telephones located within the City sidewalk rights-of-way.

7. Pacific Telesis the owner of Pacific Bell, has written a letter to the Chief Administrative Officer recommending that the City charge a flat fee of \$65 per month rather than 20 percent of gross revenues as proposed in the legislation. Pacific Telesis states that the administration of such a percentage of gross revenue based fee would "create a bureaucratic nightmare that will fail to produce the anticipated revenue." Ms. Brady reports that the City has had no difficulty collecting the percentage based fees in the past and anticipates little difficulty with the proposed system. In fact, the City currently charges Pacific Bell on a percentage of gross revenues basis.

8. DPW has held two public hearing on the proposed legislation and has consulted several times with the various vendors involved with public pay telephones in the preparation of the proposed legislation.

9. The proposed legislation was amended at the Economic and Social Policy Committee meeting on August 11, 1992 to require the Department of Public Works to provide the Board of Supervisors with a written report on the implementation and enforcement of the proposed ordinance on or before December 1, 1993. At that time, the Board of Supervisors would review DPW's data on the proposed pay telephone permitting program and "determine the necessity to continue the program." However, the intent of the Committee was to review the program in December, 1993 to determine the necessity to continue the percentage method of collecting fees rather than to "determine the necessity to continue the

program." The proposed ordinance should be amended accordingly.

10. The Economic and Social Policy Committee also requested that the Controller estimate the cost of an audit of the revenues generated by the pay telephones. According to Mr. George Linn of the Internal Audits Division, an audit of sidewalk pay telephone gross receipts, that would be performed under the proposed legislation, would likely take a substantial effort by the Internal Audit Division, but an audit of flat fees collected per sidewalk pay telephones installed, as suggested by Pacific Telesis, would take an estimated 200 hours of Audits Division staff time, or a total estimated cost of \$10,000. The proposed legislation provides for the public pay telephone companies to maintain and produce data relative to their revenue receipts so that audits could be more readily performed.

11. According to Ms. Brady, on two occasions, the City identified a significant variance in revenues collected from the trends of previous revenues collected from the current permittee's sidewalk pay telephones and, upon review of the permittee's records found that additional revenues were owed to the City. The telephone company paid these percentage revenues owed to the City.

12. On August 11, 1992, the Economic and Social Policy Committee recommended approval of the proposed amended ordinance.

Recommendations: Amend the proposed ordinance to provide for the review of the program in December, 1993 to determine the necessity to continue the percentage method of collecting fees rather than to "determine the necessity to continue the program" as the proposed ordinance currently provides.

Approve the proposed ordinance, as amended.

Items 10 and 11 - Files 52-92-5 and 52-92-5.1

Note: These items were transferred from the City Services Committee because they were determined to have fiscal impact.

Items: File 52-92-5 is an ordinance creating Underground District No. 317 in the Sutro Heights District of San Francisco.

File 52-92-5.1 is a resolution determining to undertake proceedings to form Assessment District No. 92-1, pursuant to Article 4 of Chapter 1 of the Landscaping and Lighting Act of 1972, as adopted by Article 6.1, Subarticle VIII, Chapter X, Part II of the San Francisco Municipal Code (Public Works Code) for the purposes of installing street lighting in the Sutro Heights District.

Description: The proposed underground district would be located in the Sutro Heights District in the area bounded by 48th Avenue, Sutro Heights Avenue, Geary Boulevard, 47th Avenue, and Anza Street. The proposed ordinance would find that the undergrounding of electrical and other utility poles, structures or wires within this area is in the general public interest by eliminating a heavy concentration of overhead wires in a scenic area.

The Department of Public Works (DPW) conducted public hearings known as Directors' Hearings on May 1, 1992 and May 29, 1992 regarding the proposed creation of an underground district, and it was determined that over 50 percent of property owners in the affected area are in favor of the proposed district and assessment process. DPW concurs that such undergrounding would be in the general public interest and recommends approval of this ordinance to create the proposed underground district.

The utility companies (Pacific Gas and Electric Company (PG&E), Viacom, and Pacific Bell) will provide funds for undergrounding their facilities, while the City is responsible for providing funds for new street lighting which will be owned, operated, and maintained by the City. There has been a long-standing agreement between the City and PG&E that all street lights being undergrounded in City neighborhoods would belong to the City's Bureau of Light, Heat and Power. According to a letter written by Mr. John Cribbs, Director of Public Works, dated July 29, 1992, based on past experience, for every \$1 the City contributes to the undergrounding project, the utility companies provide approximately \$9.

DPW also recommends approval of the proposed resolution determining to undertake proceedings to form Assessment District No. 92-1. The financing for this particular undergrounding project differs from previous undergrounding projects in that the City's portion of the costs (associated with the relocation of existing street lighting) can no longer be paid with Street Lighting Bond funds since funds are no longer available from Street Lighting Bond funds. This would then be the first instance in which a landscaping and lighting assessment district has been formed for the purpose of financing a street light replacement project. Therefore, DPW is proposing to finance the City's portion of design and construction costs through funds advanced by Hetch Hetchy, which would be reimbursed by affected Sutro Heights residents upon the completion of the project, which is estimated to take two years to complete.

The proposed resolution would designate that the City Engineer serve as engineer for these formation proceedings, and authorize the Department of Public Works (DPW) to obtain and file with the Clerk of the Board of Supervisors an engineer's report for these formation proceedings.

Mr. Tom Trimber, DPW Project Manager for the Sutro Heights undergrounding project, estimates that it will cost the City a total of \$160,000 to complete the City's portion of the project, as follows:

Construction Contract	\$110,000	
Contingencies	<u>10,000</u>	
Total Construction Costs		\$120,000
Project Management	\$ 15,000	
Design	13,000	
Construction Management	<u>12,000</u>	
Subtotal		<u>40,000</u>
Total Estimated Project Costs		\$160,000

Mr. Trimber advises that the undergrounding project, including the installation of street lighting, will take approximately two years to complete. If these two pieces of proposed legislation are approved, approximately \$23,000 in Hetch Hetchy funds will be advanced for the undergrounding project in the first year for design and project management costs, and another \$17,000 in Hetch

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BUDGET ANALYST

Hetchy funds will be advanced in the second year for design, construction management, and project management costs, for total Hetch Hetchy costs of \$40,000. The remaining \$120,000 in Hetch Hetchy funds will be advanced during the second year of the project for construction costs, according to Mr. Trimber. Mr. Trimber further advises that the project cannot go out to bid until the funding is in place, so therefore, it is necessary for Hetch Hetchy funds to be advanced to the Sutro Heights undergrounding project.

It is expected that the Utilities Engineering Bureau (UEB) of the Public Utilities Commission (PUC) will do the design work for this project on an in-house basis and that PUC or DPW will assume contract management responsibilities. If UEB does the design work for this project, it will not be necessary to advance the funds allocated for design work to DPW. The construction contract will go through a competitive bidding process, advises Mr. Trimber.

Mr. Trimber estimates it will cost each of the 89 property owners in the impacted portion of the Sutro Heights District approximately \$1,000 to \$1,500 to hire a private contractor to make necessary alterations to the impacted homes. In addition, DPW estimates that each of the impacted households will need to pay another \$1,600 to \$4,600 to reimburse Hetch Hetchy for the City's costs for street light replacement. Mr. Trimber projects that it will take approximately 9 months to one year for the City Engineer to produce an engineer's report associated with the proposed undergrounding project.

Comments:

1. Mr. Lawrence Klein of Hetch Hetchy advises that the \$160,000 in Hetch Hetchy funds would specifically come from a capital program fund for the Bureau of Light, Heat and Power called Hetch Hetchy's Street Light Facilities Repair and Replacement Program Fund. Mr. Klein reports that this capital program fund contains \$500,000 for fiscal year 1992-93 and that monies in this fund are to be spent to (1) conserve energy and money by converting street lights to high pressure sodium lights (see Comment No. 4); and (2) gradually enable the City to buy out the street lighting system currently owned and operated by Pacific Gas and Electric Company (which is what the City would do by installing, owning, operating and maintaining the street lights in the Sutro Heights District).

Mr. Klein advises that the proposed street lighting replacement project for the Sutro Heights District meets both of the above-listed criteria and is an appropriate use of

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BUDGET ANALYST

Hetch Hetchy's Street Light Facilities Repair and Replacement Program Fund.

2. Mr. Klein also notes that based upon DPW's previous experience with undergrounding projects, Hetch Hetchy assumes that DPW's current cost estimates for the Sutro Heights project would be reasonably close to final costs. Mr. Trimber reports that if the actual costs turn out to be higher than \$160,000, DPW would plan to charge residents proportionately, based on the size of their respective lots.

3. Mr. Trimber notes that DPW had considered the following alternatives for financing the proposed street lighting relocation project: (1) hiring a contractor to do the work who would agree to collect funds from impacted homeowners upon completion of the work; and (2) selling a relatively small bond issue for \$160,000 for the project, which would involve paying \$100,000 for bond counsel services. Both DPW and Hetch Hetchy worked together to develop the proposed financing mechanism and consider it to be the most cost-effective one.

4. Mr. Klein reports that as of the writing of this report, no cost savings estimates are available regarding what the City might save if the City owned and operated the street lights in the Sutro Heights District. However, Hetch Hetchy has determined that by changing the types of street lights in the Sutro Heights District, the City will achieve cost savings through energy conservation. Hetch Hetchy has calculated that for equivalent lighting conditions, the City would pay half as much for high pressure sodium lighting as the City would pay for mercury vapor lights. Therefore, the City would achieve some cost savings by replacing existing mercury vapor street lights in the Sutro Heights District with high pressure sodium lighting.

5. As of the writing of this report, Mr. Klein and Mr. Trimber note that a work order agreement has been signed between Hetch Hetchy and DPW for \$15,000 for project management costs related to this undergrounding project.

6. Mr. Trimber advises that DPW will ensure that the affected residents of the Sutro Heights District will repay Hetch Hetchy upon the conclusion of this project by providing that a lien will be placed on the homes that fail to pay back the approximately \$160,000 due to Hetch Hetchy. Mr. Trimber further advises that specific details of repayment by homeowners will be contained in the engineer's report to be prepared by the City Engineer.

7. Ms. Julia Ten Eyck of the City Attorney's Office advises that the proposed resolution only authorizes the preparation of the engineer's report with the intention of forming an assessment district. Ms. Ten Eyck further advises that once the engineer's report is completed, the report would be presented to the Board of Supervisors along with a proposed resolution to authorize the formation of Assessment District 92-1, and that the Board would hold a public hearing on this issue.

If the Board of Supervisors were to approve the proposed ordinance creating Underground District No. 317 and the proposed resolution authorizing the preparation of an engineer's report, and if the City Engineer found that the costs of proceeding with relocation of street lights were prohibitively high, the Board of Supervisors, DPW and Sutro Heights residents would need to determine whether or not the undergrounding project should proceed.

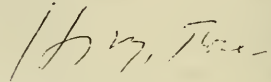
8. Mr. Carlos Jacobo of the PUC's Finance Bureau advises that a work order agreement between Hetch Hetchy and DPW for \$23,000 to prepare the engineer's report would be consistent with Hetch Hetchy's Street Light Facilities Repair and Replacement Program, an ongoing effort to convert street lights to high pressure sodium lighting. If the Board of Supervisors were to authorize the formation of Assessment District 92-1, PUC approval would be necessary for Hetch Hetchy to advance additional funding towards this project, according to Mr. Jacobo.

9. The Budget Analyst believes approval of the proposed ordinance and the proposed resolution is a policy matter for the Board of Supervisors for the following reasons: (1) There is a possibility that Hetch Hetchy would advance \$23,000 towards the preparation of an engineer's report and that the total cost of the project might be so prohibitively high that the project might not proceed any further, resulting in the loss of \$23,000; and (2) This is the first time that a landscaping and lighting assessment district has been formed for the purpose of financing a street light replacement project, while in the past, Street Lighting Bond funds have been used.

10. On August 18, 1992, the City Services Committee recommended approval of the proposed ordinance and resolution.

Memo to Finance Committee
August 26, 1992

Recommendation: Approval of the proposed ordinance (File 52-92-5) and the proposed resolution (File 52-92-5.1) are policy matters for the Board of Supervisors.


Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
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